

[Senate Hearing 108-]  
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DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS FOR FISCAL YEAR 2004

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TUESDAY, MAY 13, 2003

U.S. Senate,  
Subcommittee of the Committee on Appropriations,  
Washington, DC.

The subcommittee met at 10:02 a.m., in room SD-192, Dirksen  
Senate Office Building, Hon. Thad Cochran (chairman) presiding.

Present: Senators Cochran, Specter, Domenici, Byrd, and  
Murray.

DEPARTMENT OF HOMELAND SECURITY

STATEMENTS OF:

ROBERT C. BONNER, COMMISSIONER, CUSTOMS AND BORDER PROTECTION  
BUREAU

ADMIRAL JAMES M. LOY, ADMINISTRATOR, TRANSPORTATION SECURITY  
ADMINISTRATION

CONNIE L. PATRICK, DIRECTOR, FEDERAL LAW ENFORCEMENT TRAINING  
CENTER

OPENING STATEMENT OF SENATOR THAD COCHRAN

Senator Cochran. The hearing will please come to order.

Today our subcommittee on Homeland Security Appropriations  
continues its hearings on the President's budget request for  
fiscal year 2004 for the Department of Homeland Security.

This morning, our panel consists of three components of the  
new Border and Transportation Security Directorate. These  
include the Bureau of Customs and Border Protection, the  
Transportation Security Administration, and the Federal Law  
Enforcement Training Center.

We are very pleased to welcome our witnesses this morning:  
the Commissioner of the Bureau of Customs and Border  
Protection, the Honorable Robert C. Bonner; the Administrator  
of the Transportation Security Administration, Admiral James M.  
Loy; and the Director of the Federal Law Enforcement Training  
Center, Ms. Connie Patrick.

There is another bureau of the Border and Transportation  
Security Directorate, which is going to be headed by Michael  
Garcia, but he has not yet been confirmed as the head of the  
Bureau of Immigration and Customs Enforcement. No witness was  
available for the Office for Domestic Preparedness which is  
also under the directorate.

We appreciate your cooperation with our committee, and your

being here this morning to discuss the budget request for those activities under the jurisdiction of your agencies. We appreciate the fact that this is a new undertaking for some of you in connection with the Department of Homeland Security. Others, such as Admiral Loy and Mr. Bonner, have had experiences in those agencies, and we appreciate the fact that the President and Secretary Ridge have attracted a very talented and capable team to run this new Department of Homeland Security.

It is immensely important, the work that is to be done by this directorate and the Department, and we are going to carefully consider the President's request and hope that we will be able to make the correct judgments on allocating the limited amount of funding that is available to our subcommittee.

The budget resolution that was adopted limits the amount of money that can be spent. And, it is our job to try to identify the priorities and to make sure that the money is being spent efficiently and in a thoughtful way to protect the security of our homeland.

It is a pleasure, too, as we draw to a close with our hearings for this year to work with my good friend, Robert Byrd, the distinguished Senator from West Virginia, who is the ranking member of the full Committee on Appropriations and chose to assume the responsibility as the ranking member on this subcommittee.

I think it indicates the seriousness of the subjects that we are dealing with on this subcommittee, and we appreciate his assistance and work with us as we carry out our responsibilities.

Senator Byrd.

#### STATEMENT OF SENATOR ROBERT C. BYRD

Senator Byrd. Mr. Chairman, I thank you for your overly charitable remarks concerning me. I am grateful for the opportunity to serve with you on this committee. You run a tight ship. You are fair and I consider it a real privilege to be associated with you in this committee.

I know of no Senator with whom I could have a greater rapport and a better working relationship. I join you in welcoming our witnesses to today's hearings. You represent three of the four major bureaus that comprise the Border and Transportation Security Directorate. All of them have a critical role to play in securing our homeland and the subcommittee looks forward to hearing from them and to working with them.

The terrorist attacks in Saudi Arabia overnight are a grim reminder that there are people in this world who have as their aim the destruction of America and the death of its citizens. It is a sobering morning.

These agencies, this department, and, in fact, this subcommittee share the duty to do everything possible to prevent such attacks from happening within these shores. This subcommittee will provide the resources to protect the Nation. It is the job of this department to carry out that mission to the best of its capabilities.

Commissioner Bonner has performed ably in his leadership of the former U.S. Customs Service. I am pleased that he is continuing that performance at the Department.

Director Patrick is relatively new to her role in leading the Federal Law Enforcement Training Center, but she has demonstrated her appreciation of the task of training our varied law enforcement personnel.

Admiral Loy did a superb job when he was at the Coast Guard, and I appreciate his taking on the daunting task of establishing a Transportation Security Administration. However, I am troubled that well into the 8 year--8 month of the fiscal year, despite a significant shortfall in funding, that Congress has yet to receive the spending plan for his agency for this fiscal year.

How can we inquire about his agency's plans for the next fiscal year when we have yet to receive information about the current fiscal year? I am well aware that the agency is facing a budgetary shortfall for this year. And Admiral--and the admiral is being forced to make difficult decisions, including the laying off of thousands of airport screeners.

Many members of this subcommittee, including myself, we are troubled by the allocation of those cuts. I am disappointed that the administration and the OMB have not supported our efforts to assist you, Admiral, in bridging your funding gap.

However, this problem must not be fixed--and I put fixed--I say fixed with quotation marks around it. This problem must not be fixed by reallocating funds, which the Congress has directed to be spent on specific programs. Congressional direction must be respected.

Congress passed several appropriation bills directing that this agency take certain steps. The President signed those bills into law. In addition, the Homeland Security Act directs that funds transferred to the new Department be used for the purposes for which they were appropriated. These laws must be respected.

I understand that you are in a very difficult position. You have a demanding and important job to do. And we will do what we can on this subcommittee under the chairmanship of Senator Cochran to provide you with the resources you need to meet your mission.

I only hope that the green eyeshade set downtown is listening. We cannot secure the homeland on the cheap. Either we are serious about protecting our borders and our transportation systems, or we are merely engaged in a public relations exercise.

In addition, as I expressed last week when Under Secretary Hutchinson was before this subcommittee, I am concerned that the budget for the Transportation Security Administration appears to focus the limited resources only on aviation security, virtually to the exclusion of other transportation systems. Our port, our rail, and other transportation systems are also vulnerable to attack.

And I am committed to doing everything that I can to address each of these vulnerabilities. I look forward to the testimony this morning, Mr. Chairman, and thank you again.

Senator Cochran. Senator Domenici, welcome to the meeting of this subcommittee.

Senator Domenici. Thank you, Mr. Chairman.

Senator Cochran. I am happy to recognize you for any opening statement you would like to make.

STATEMENT OF SENATOR PETE V. DOMENICI

Senator Domenici. I appreciate it, just a brief opening statement, if you would.

First, I would like to welcome the commissioner, and Admiral Loy, and Director Patrick.

We are all aware of the events of September 11, and now the more recent events, and we know we have a very difficult job ahead of us. We must rethink how we do business and how, in doing so, to reorganize our government to meet the challenges of the future. I believe we have accomplished the first two steps in passage of the homeland security bill.

The next step will be--internal to the Homeland Security Department, to bring together all of the pieces of the puzzles to make sure that all of the pieces fit.

It will be our job in this committee to supply you with any of the missing pieces, including personnel, equipment, and authorities to do your job properly. I look forward to working with you--with all three of you in this new Department.

I would like to highlight just a few areas. First, the area I would like to touch upon is border operations. As a Senator from a border State, I will work with you, Commissioner Bonner, to make sure that you get the proper tools you need to do this job.

It has been 17 years since the Federal Government launched a major effort to upgrade the United States' borders, and that effort focused only on the southwest border. I have just introduced, with many co-sponsors, a border infrastructure and technology modernization act.

This new bill focuses on the borders of both Canada and Mexico. The bill has dual goals of facilitating the efficient flow of trade, while meeting the challenges of increased security requirements.

It will include more funding for equipment at our land borders, additional funding for personnel, funding for training, and additional funding for industry-business partnership arrangements along the border.

The future of our border successes lie in modernizing these ports of entry, including new modern technology so that they are the most modern; not the archaic, ancient border crossings that we now have in many places. It is important for the border enforcement agencies of the new Department to work with the private sector on both sides of the border and reward those partners who adopt strong internal controls designed to defeat terrorist access to our country.

My second interest lies in the Federal Law Enforcement Training Center, FLETC. It was important that the Federal Law Enforcement Training Center was transferred to the new department. It is your job to make sure that the transition of that bureau of the Treasury Department to the Homeland Security Department goes smoothly. It is my understanding that there will be tremendous need for training new officers, as well as cross-training and advanced training of current employees.

A few thoughts on FLETC. The DHS needs to catalog all of the Department training activities and facilities. It must develop short-and long-term plans and analyze agency needs and maximize the use of current facilities, and project future capacity needs.

It is very important that Homeland Security use the proven resources of FLETC before using non-FLETC facilities. I know that FLETC has an ancillary facility in my State, and you know about it too, at Artesia, New Mexico. It is growing. It is new, and it is playing a very important role. I hope that it will continue to operate as an integral part of your mission.

I have a third interest that I will just briefly mention and call it domestic air cargo security. I only mention it because I am hopeful that those in charge of it will make use of the great capacity of our national laboratories at Sandia and Los Alamos and Lawrence Livermore, in helping make this transport of domestic air cargo and security as easy as possible, and as modern as possible as quickly as possible.

Thank you very much, Mr. Chairman.

Senator Cochran. Thank you, Senator, for your statement and your contribution to the work of this subcommittee.

Senator Murray, I am happy to recognize you for any opening statement that you would like to make.

#### STATEMENT OF SENATOR PATTY MURRAY

Senator Murray. Mr. Chairman, thank you. I just want to welcome all of our witnesses. Let me just say that this is a very important hearing, because we all know the importance of security since September 11 obviously, but we also know the economic impacts of the decisions we make in balancing that.

#### prepared statement

And my State is extremely important. We are the number one trade State in the Nation and we want to make sure our borders are secure, that our ports are secure, but that we impact the flow of commerce as little as possible, because it is having a severe impact on our State as we struggle with the economy. So I do have a number of questions to ask both Mr. Bonner and Admiral Loy in that time period.

Senator Cochran. Thank you very much, Senator.

The subcommittee has received a statement from Senator Campbell which will be inserted in the record.

[The statement follows:]

#### Prepared Statement of Senator Ben Nighthorse Campbell

Thank you Mr. Chairman and I'd like to thank our witnesses for taking the time to come talk to us today.

My constituents in Colorado, as well as the entire Nation, are looking toward this Committee to provide the necessary funds to protect those who travel our country's skies, seas, railways, and roads. The three of you here today are responsible for ensuring the safety of our borders, the security of our skies, and for training the personnel needed to perform these duties. Not an easy task for any of you, but I look forward to working with all of you to meet these challenges and to

ensure that our Nation's priorities are well balanced.

While I commend you all for the advancements made in our Nation's security infrastructure, there are a few concerns I have about possible loopholes that remain in the security network. There have been many questions as to whether or not our focus on security is appropriately balanced in the right areas to prevent additional terrorist attacks. Our borders, for instance, while more closely watched than they were a few years ago, still need to be better patrolled, both in the north and the south.

Security at airports nationwide has improved, though efforts have focused mainly on passengers and their luggage. Loopholes still exist in the air transportation of cargo. I also believe that loopholes still exist with fixed-base operations, or FBO's, as they are called. My concern is that literally just anyone can get on a private aircraft carrying whatever they want and go wherever they please.

Port security is no less frightening. About 95 percent of U.S. imports come by container ship and there are over 2,500 of these ships at sea. Once these containers come off the boats, they can be driven anywhere by anyone with a CDL license or placed on a train to any point in the United States. While Colorado has no such ports, as the Senate's only CDL-licensed member, I know how easily these containers can move across the country as soon as they are off-loaded from the ships.

The protection of our borders and shorelines is imperative to our country's economy which is dependent on travel and the easy mobility of commerce. Additionally, the people of the United States deserve the ability to move about our Nation in a safe and secure manner.

I believe that we have made major advancements very quickly by upgrading our security procedures, response plans, and better training personnel to react and respond in times of need. This is very important as no issue is more paramount to me and this committee than the safety of the American people.

Again, thank you, Mr. Chairman. I look forward to hearing the testimonies of our guests and I will have a number of questions to ask at the appropriate time.

Senator Cochran. I think we will hear opening statements from each of the witnesses before we get into questions, and we would encourage you to make summary statements of your printed statements. We have those statements. We thank you for them and they will be printed in the record in full.

Mr. Bonner, we will start with you. Mr. Bonner is the Commissioner of the Bureau of Customs and Border Protection.

#### STATEMENT OF COMMISSIONER ROBERT C. BONNER

Mr. Bonner. Thank you, Chairman Cochran and Senator Byrd, Senator Domenici, Senator Murray. I am pleased to appear before you today to discuss the Customs and Border Protection and the President's 2004 budget request for this new agency within the Department of Homeland Security.

As you know, on March 1, just 2½ months ago, customs inspectors of the former U.S. Customs Service, immigration inspectors of the former INS, agricultural inspectors formerly with the Animal and Plant Health Inspection Service of the Agriculture Department, and the entire Border Patrol, merged to form the new Bureau of Customs and Border Protection within the Department of Homeland Security. This means, by the way, that

about one-half of all the personnel of the former INS are now part of the Bureau of Customs and Border Protection.

Customs and Border Protection is certainly the largest and, I believe, perhaps the most profound actual reorganization taking place as a result of the creation of the Department of Homeland Security.

The creation of Customs and Border Protection means that now for the first time in our country's history, all agencies of the United States Government with significant border responsibilities are unified into one agency of our Government, into one border agency. When combined with the customs trade, revenue, and support functions, the new agency, Customs and Border Protection, has a requested budget of \$6.7 billion and 41,000 FTE, and that means that Customs and Border Protection personnel are over one-fifth of the entire personnel of the Department of Homeland Security, which is a reflection, I believe, of how important the security of our borders is to the security of our homeland.

For the first time, we are now able to take a holistic view of our Nation's borders and to devise a comprehensive strategy for the ports of entry and, indeed, for the entirety of our Nation's border, because now one agency, not multiple agencies, is responsible for the management of our country's borders.

By unifying the border agencies, a good government reform advocated in many studies over the past 30 years, I am convinced that we will be far more effective and efficient than we were when border responsibilities were fragmented among four different agencies and three different departments of our Government as they were prior to March 1 of this year.

I have already moved to unify the management of all of the inspectional personnel at our border ports of entry by designating one port director to be in charge of all of the inspectional functions, customs, immigration, and agriculture at each of the 307 ports of entry of the United States. And I have put in place a full-time transition management office to focus on achieving a fully unified agency as rapidly as possible.

I also have put into place a clear and understandable chain of command, from the port directors at all of our 300-plus ports of entry to Customs and Border Protection Headquarters, and similarly have established a clear and short chain of command for the Border Patrol into Customs and Border Protection Headquarters.

The priority mission of Customs and Border Protection is homeland security. And for a border agency, that means nothing less than preventing terrorists and terrorist weapons from entering our country. That is the priority mission of Customs and Border Protection, plain and simple.

And we need to perform that priority mission without stifling the flow of legitimate trade and travel. We do this, in part, by pushing our border out, extending our zone of security beyond our physical borders. We must also accomplish our priority mission while continuing to perform the many very important traditional missions of Customs and Border Protection.

Support from Congress through the fiscal year 2002 supplemental and the 2003 budget has put us in a very good

position to carry out our priority and traditional missions. Our total program increase for fiscal year 2004 is \$338 million. And that funding will help us to develop and expand our ``smart border'' initiatives like the Container Security Initiative, our overseas program for identifying and prescreening high-risk containers before they leave foreign ports for ports of the United States. I want to thank the committee members for their support of this initiative in fiscal year 2003.

Since I announced the Container Security Initiative just over a year ago, a total of 15 countries representing 18 of the top 20 foreign container ports have agreed to implement the Container Security Initiative with us.

The 2004 funding we are requesting will enable us to expand the program to other foreign ports beyond the top 20. Our funding request will also support expansion of the Customs-Trade Partnership Against Terrorism, a program in which we partner with the private sector to protect the entire supply chain against potential exploitation by terrorists.

So, Mr. Chairman, this new agency, I can tell you, faces two great challenges. One is merging the border agencies, which we are in the process of doing; and secondly, fulfilling our priority and our traditional missions.

But now that all the border agencies have been unified into Customs and Border Protection, we are in a better position to accomplish those goals. And with the continued support of the President, and the leadership of Secretary Ridge and Under Secretary Hutchinson, and the support of this committee, and the Congress, I am confident that Customs and Border Protection will play a major role in the Department of Homeland Security by better securing our borders against the terrorist threat.

#### PREPARED STATEMENT

Mr. Chairman, I thank you for the opportunity to testify and I would be happy to answer any questions that the members might have.

Senator Cochran. Thank you very much, Mr. Bonner, for your statement.

[The statement follows:]

#### Prepared Statement of Robert C. Bonner

##### Introduction and Overview

Chairman Cochran, Ranking Member Byrd, Members of the Subcommittee, it is a privilege to appear before you today to discuss Customs and Border Protection's 2004 budget request--the first ever budget request for this new agency in the Department of Homeland Security.

As you know, on March 1, 2003, immigration inspectors from the Immigration and Naturalization Service (INS), agricultural inspectors from the Animal and Plant Health Inspection Service (APHIS), customs inspectors from U.S. Customs Service, and the entire Border Patrol merged to form the Bureau of Customs and Border Protection--BCBP--within the Border and Transportation Security (BTS) Directorate of the Department of Homeland Security. Now, for the first time in our country's history, all agencies of the United States government with significant border responsibilities have been brought under one roof.



With our combined skills and resources, we will be far more effective than we were when we were separate agencies. I was honored to be appointed by the President to serve as the Commissioner of U.S. Customs in September 2001, and now I have the great privilege of serving as the first Commissioner of BCBP.

I want to thank Congress for the focus and support it provided in creating the new Department of Homeland Security, and the new Customs and Border Protection agency within that Department. As the head of BCBP, I look forward to working with you to ensure that BCBP successfully achieves its critical mission.

The priority mission of BCBP is to prevent terrorists and terrorist weapons from entering the United States. That extraordinarily important priority mission means improving security at our physical borders and ports of entry, but it also means extending our zone of security beyond our physical borders--so that American borders are the last line of defense, not the first line of defense. And we must do this while continuing to perform our traditional missions well--the combined missions of Customs, immigration, and agriculture inspectional officers at our borders, as well as the Border Patrol. In sum, the BCBP's missions include apprehending individuals attempting to enter the United States illegally; stemming the flow of illegal drugs and other contraband; protecting our agricultural and economic interests from harmful pests and diseases; protecting American businesses from theft of their intellectual property; and regulating and facilitating international trade, collecting import duties, and enforcing U.S. trade laws. We must perform our all important security mission without stifling the flow of legitimate trade and travel that is so important to our Nation's economy.

Support from Congress through the fiscal year 2002 Supplemental and the fiscal year 2003 budget has put us in good stead to carry out our mission. The President's total program increase request for BCBP in fiscal year 2004 is \$338,183,000. These funds will help BCBP fulfill its mission-critical responsibilities, first and foremost of which is preventing terrorists and terrorist weapons from entering the United States. These funds will continue to support the automation and information technology programs that will improve overall operations of the agency, and the traditional missions for which BCBP is responsible.

Key program increases BCBP is requesting in its fiscal year 2004 budget include:

- \$61,754,000 for the Container Security Initiative, which will support continued operation and expansion of the program, including the stationing of BCBP personnel in additional key international ports to examine high-risk cargo before it is placed on ships bound for the United States;
- \$16 million for the Customs-Trade Partnership Against Terrorism and the Free and Secure Trade Program to increase supply chain security and expedite the clearance of legitimate trade; and
- \$57.8 million for deployment of additional Non-Intrusive Inspection (NII) technology to increase our ability to detect conventional explosives, nuclear weapons, radioactive components, and other weapons of mass destruction.

In my statement, I will discuss these programs and others, and how BCBP uses and will continue to use them to accomplish its mission. I would like to begin, though, with a brief update for the Subcommittee on the status of the standup of BCBP.

Standup of Customs and Border Protection

On March 1st, approximately 40,000 employees were successfully transferred from the U.S. Customs Service, the Immigration & Naturalization Service, and the Animal and Plant Health Inspection Service to the new Customs and Border Protection agency in the Department of Homeland Security. Each of the agencies merging into BCBP worked closely to effect the transfer. Prior to and after the standup of the agency on March 1st, Under Secretary Hutchinson and I both traveled around the country to talk with employees of BCBP. I am pleased to report that there is a high level of enthusiasm, dedication, and commitment to the Department of Homeland Security and to BCBP's mission. The men and women of BCBP are ready, willing, and able to do their part to protect our Nation.

Secretary Ridge, Under Secretary Hutchinson and I have established clear, understandable chains of command for all BCBP personnel, and have directed that operations not be interrupted. To this end, effective March 1, 2003, twenty interim Directors of Field Operations (DFOs) were appointed, based on the twenty-office field structure of U.S. Customs, to exercise line authority over 317 ports of entry within their jurisdiction. At each of the ports of entry--land, sea, and air--interim Port Directors were appointed to be in charge of and responsible for all the BCBP inspection functions, customs, immigration, and agriculture. A clear chain of command was also established for the Border Patrol, with the Border Patrol's twenty-one Sector Chiefs reporting directly to the Chief of the Border Patrol, who reports to me.

This is the first time there has been one person at each of our Nation's ports of entry in charge of all Federal Inspection Services. We are in the process of competitively selecting individuals to fill these DFO and Port Director positions on a permanent basis, and that process should be completed in the near future. In addition, a full-time Transition Management Office has been put in place to help address the challenges that come from the standup of any new organization. That office is staffed with representatives from all the incoming agencies.

#### Responding to the Terrorist Threat

As the single, unified border agency of the United States, BCBP's mission is vitally important to the protection of America and the American people. In the aftermath of the terrorist attacks of September 11th, numerous initiatives were developed to meet our twin goals of improving security and facilitating the flow of legitimate trade and travel. Funds from the fiscal year 2004 budget will help us expand those initiatives to ensure further protection of both the American people and the American economy. Our strategy in implementing these initiatives--and accomplishing our twin goals--involves a number of factors, including (A) improving targeting systems and expanding advance information regarding people and goods, (B) pushing our ``zone of security outward'' by partnering with other countries, (C) pushing our ``zone of security outward'' by partnering with the private sector, (D) deploying advanced inspection technology and equipment, (E) increasing staffing positions for border security, and (F) working in concert with other agencies.

#### TARGETING AND THE NECESSARY OF ADVANCE INFORMATION

Information is one of the most important keys to our ability to increase security without stifling legitimate trade and travel. Good information enables us to more accurately identify--or target--what is

``high risk,'' defined as a potential threat, and what is low risk or absolutely no risk whatsoever. The separation of high risk from no risk is critical because searching 100 percent of the cargo and people that enter the United States would unnecessarily cripple the flow of legitimate trade and travel to the United States. What is necessary and advisable is searching 100 percent of the high-risk cargo and people that enter our country. To do this, we need to be able to identify what is high risk, and do so as early in the process as possible. BCBP has several programs and initiatives that help us accomplish that task.

#### National Targeting Center (NTC)

The National Targeting Center (NTC), created last year with fiscal year 2002 Emergency Supplemental funding, has significantly increased our overall capacity to identify potential terrorist threats by providing centralized, national targeting of passengers and cargo for the first time. NTC inspectors and analysts use a sophisticated computer system to monitor, analyze, and sort information gathered by BCBP and numerous intelligence and law enforcement agencies against commercial border crossing information. By mining the information in that system, NTC personnel identify potential terrorists and terrorist targets for increased scrutiny at the border ports of entry. When NTC personnel identify potential threats, they coordinate with our officers in the field and monitor the security actions that are taken. Because multiple agencies both contribute information to the National Targeting Center and rely on it for information, the Center assures a coordinated and centralized response to potential threats.

#### Automated Targeting System (ATS)

The Automated Targeting System (ATS), which is used by NTC and field targeting units in the United States and overseas, is essential to our ability to target high-risk cargo and passengers entering the United States. ATS is the system through which we process advance manifest and passenger information to pick up anomalies and ``red flags'' and determine what cargo is ``high risk,'' and therefore will be scrutinized at the port of entry or, in some cases, at the foreign port of export.

In fiscal year 2002, we implemented a domestic targeting initiative at all U.S. seaports using the Automated Targeting System. Under that initiative, all manifests for ocean going cargo destined for the United States are processed through ATS and reviewed by trained personnel. When high-risk shipments are identified, inspectional officers at U.S. seaports conduct standardized security inspections on those shipments. Importantly, the goal is to inspect 100 percent of the high-risk sea cargo. We are already working on putting the same system in place for cargo transported by truck through the land border ports of entry.

Furthermore, in April 2002, USDA National Information Technology Center (NITC) received access to ATS. ATS now receives complete Customs data feed for all ports, with all bills and entries of agricultural interest.

#### 24-Hour Rule

Common sense tells us that the earlier in the process that we have information, the more effective and efficient we can be in using that information to identify high-risk cargo and eliminate potential threats before they have a chance to reach our ports of entry.

To that end, last year, a final advance manifest regulation--the so-called ``24-hour rule''--was issued to require the presentation of

accurate, complete manifest information on oceangoing cargo destined for the United States 24 hours prior to loading of a container on board a vessel at the foreign port. The regulation also improves the quality of information presented by prohibiting the vague descriptions of cargo such as ``FAK'' (Freight All Kinds). The data is processed through the ATS system, and reviewed by the NTC to identify high-risk oceangoing cargo.

On February 2, 2003, a strategy was undertaken to ensure compliance with the 24-hour rule, following a 90-day grace period to permit the trade to adjust its business practices. The compliance strategy has involved, for the first time, issuing ``no-load'' orders and denying permits to unlade in the event of non-compliance. Compliance with the rule is high, and we are receiving more and better information through our Automated Manifest System (AMS) significantly earlier in the process. This greatly improves our ability to detect, deter, and eliminate potential terrorist threats involving sea cargo before they become a reality.

#### Trade Act of 2002--Advance Information on Other Modes

Successful targeting of high-risk goods transported through other commercial modes is as important as successful targeting of high-risk goods transported by sea. As with oceangoing cargo, good information received earlier in the process is the key to that successful targeting and the application of sound risk management principles.

In the Trade Act of 2002, Congress recognized the importance of such advance information by mandating presentation of advance manifest data on all commercial modes, both inbound and outbound. BCBP is in the process of working through the consultative process called for in the Trade Act of 2002 to determine the most appropriate advance cargo data requirements for land, rail, and air cargo. We held public hearings in January, launching a process of discussion and proposal preparation that will ultimately lead to our issuing rules later this year. During this process, we have met continuously with all segments of the trade. This process will help us ensure that the final rules meet the security objectives of BCBP while also taking into account the realities of the businesses involved in the different transport modes.

#### Advance Passenger Information System

Advance information is also critical to our efforts to identify individuals who may pose a security threat. Before September 11th, 2001, air carriers transmitted information on international airline passengers in advance of their arrival to the Advance Passenger Information System (APIS) on a purely voluntary basis. Legislation enacted by Congress in late 2001 made submission of this information mandatory, and funds allocated from the fiscal year 2002 Supplemental and the fiscal year 2003 budget have enabled us to begin upgrading and expanding APIS and move to a mandatory program in a very short time. An informed, enforced compliance plan has resulted in 99 percent of all passenger and crew information (including those pre-cleared outside the United States) now being transmitted through APIS in a timely and accurate manner.

#### PUSHING OUR ZONE OF SECURITY OUTWARD /PARTNERING WITH OTHER COUNTRIES

BCBP must do everything possible to advance and improve on our smart border initiatives and push our zone of security outward--that is, to make our borders the last line of defense instead of the first

line of defense. We have done this on a far reaching basis by partnering with other countries on our Container Security Initiative, one of the most significant and successful initiatives developed and implemented after 9-11. We are also extending our zone of security through partnerships with Canada, our neighbor to the north, and Mexico, our neighbor to the south. Those partnerships enable us jointly to better secure the North American perimeter.

#### Container Security Initiative (CSI)

Oceangoing sea containers represent the most important artery of global commerce--some 48 million full sea cargo containers move between the world's major seaports each year, and nearly 50 percent of all U.S. imports (by value) arrive via sea containers. Approximately 6 million cargo containers arrive at U.S. seaports annually. Because of the sheer volume of sea container traffic and the opportunities it presents for terrorists, containerized shipping is uniquely vulnerable to terrorist attack.

In January, 2002, the Container Security Initiative (CSI) was unveiled to address this threat. Under CSI, which is the first program of its kind, we are identifying high-risk cargo containers and partnering with other governments to pre-screen those containers at foreign ports, before they are shipped to our ports.

The four core elements of CSI are:

- First, identifying ``high-risk'' containers, using ATS and the 24-hour rule, before they set sail for the United States
- Second, pre-screening the ``high-risk'' containers at the foreign CSI port before they are shipped to the United States
- Third, using technology to pre-screen the high-risk containers, including both radiation detectors and large-scale radiographic imaging machines to detect potential terrorist weapons.
- Fourth, using smarter, ``tamper-evident'' containers--containers that indicate to BCBP officers at the port of arrival whether they have been tampered with after the security screening.

Since CSI was announced in January 2002, the program has generated exceptional participation and support. The goal for the first phase of CSI was to implement the program at as many of the top 20 foreign container ports--in terms of volume of cargo containers shipped to United States seaports--as possible, and as soon as possible. Those ports account for nearly 70 percent, over two-thirds, of all cargo containers arriving at U.S. seaports. Within 1 year of our announcement of CSI, the governments representing 18 of the top 20 ports agreed to implement CSI, and those governments where the remaining two ports are located have expressed support for the initiative and a desire to participate. CSI has been implemented and is already operational in Le Havre, France; Rotterdam, the Netherlands; Antwerp, Belgium; Bremerhaven and Hamburg, Germany; Felixstowe, England; Yokohama, Japan; and Singapore, the largest container transshipment port in the world. We are also operational at the Canadian ports of Halifax, Montreal, and Vancouver, and will be operational in Hong Kong this month. CSI will be operational at other CSI ports soon.

We are in the process of formulating the second phase of CSI. Under CSI Phase II, we will implement the CSI program at other foreign ports that ship a significant volume of cargo to the United States, and that have the infrastructure and technology in place to support the program. We have already signed CSI agreements with Malaysia and Sweden, covering the two major ports of Malaysia and Gothenburg, Sweden, the main container port for the Nordic countries. To date, a total of 15

countries (including Canada) have agreed to implement CSI with us, and at least 7 other countries that qualify have already expressed a desire to join. Once we have Phase II implemented, we anticipate that CSI will cover approximately 80 percent of the containers coming to the United States.

I want to express my gratitude to the Committee members for their support of CSI in fiscal year 2003. With the \$62 million increase in funding that we are requesting for CSI in fiscal year 2004, we will complete implementation in the top 20 ports, and expand CSI to other ports around the world. In fiscal year 2004, BCBP will also continue to pursue ongoing multilateral initiatives to enhance container security.

#### Partnership with Canada

Since the terrorist attacks of September 11, 2001, we have worked closely with Canada to develop and implement initiatives that increase security and facilitate travel and trade at our shared 4,000 mile border. Many of these initiatives have been implemented under the Smart Border Declaration entered into between the United States and Canada in December 2001. This Declaration focuses on four primary areas: the secure flow of people; the secure flow of goods; investments in common technology and infrastructure to minimize threats and expedite trade; and coordination and information sharing to defend our mutual border. By benchmarking our security measures and sharing information, we are able to relieve pressure and congestion at our mutual land border.

#### In-Transit Container Targeting Program

One example is the In-Transit Container Targeting Program, which served as a model for the CSI program. Under this program, Canadian inspectors are stationed at our seaports in Newark and Seattle, and BCBP officers are stationed at Halifax, Montreal, and Vancouver. Our personnel are helping to target and pre-screen cargo containers arriving at Canadian seaports that are in transit to the United States, and Canadian Customs and Revenue Agency inspectors are doing the same at U.S. seaports for shipments in transit to Canada. Approximately \$2.4 million in 2002 and 2003 funding has enabled us to develop and implement this program.

#### Free and Secure Trade (FAST)

Another of these initiatives is the Free and Secure Trade, or FAST, program. Through FAST, importers, commercial carriers, and truck drivers who enroll in the program and meet our agreed to security criteria are entitled to expedited clearance at the Northern Border. Using electronic data transmission and transponder technology, we expedite clearance of approved trade participants. The FAST program fosters more secure supply chains, and enables us to focus our security efforts and inspections where they are needed most--on high-risk commerce--while making sure legitimate, low-risk commerce faces no unnecessary delays.

FAST was announced by President Bush and Prime Minister Chretien in Detroit in September 2002, and it is currently operational in 27 lanes at six major crossings along the northern border. Eventually FAST is projected to expand to all 25 commercial centers located throughout the northern border. The increase of approximately \$3.9 million that we are requesting for the FAST program in fiscal year 2004 will enable us to expand FAST on the northern border, as well as develop and implement a pilot similar to FAST on the southern border with Mexico.

## NEXUS

With Canada, we have also implemented a program that enables us to focus our resources and efforts more on high-risk travelers, while making sure those travelers who pose no risk for terrorism or smuggling, and who are otherwise legally entitled to enter, are not delayed at our mutual border. This is the NEXUS program, under which frequent travelers whose background information has been run against crime and terrorism indices are issued a proximity card, or SMART card, allowing them to be waived expeditiously through the port of entry. NEXUS is currently operational at six crossings located at four major ports of entry on the northern border: Blaine, Washington (3 crossings); Buffalo, New York; Detroit, Michigan; and Port Huron, Michigan. We also recently opened a new NEXUS lane at the International Tunnel in Detroit. Some upcoming expansion sites for NEXUS include Niagara Falls, New York; Alexandria Bay, New York; and Pembina, North Dakota.

## Partnership with Mexico

We have continued important bilateral discussions with Mexico to implement initiatives that will protect our southern border against the terrorist threat, while also improving the flow of legitimate trade and travel.

With respect to cargo crossing our border with Mexico, for example, some of the fiscal year 2004 funds we are requesting for the FAST program would be used to implement a pilot FAST program on the southern border. We also continue to work on a possible joint system for processing rail shipments and on shared border technology.

Another initiative is the SENTRI program. SENTRI is a program that allows low-risk travelers to be processed in an expedited manner through a dedicated lane at our land border with minimal or no delay. SENTRI is currently deployed at 3 southwest border crossings: El Paso, San Ysidro, and Otay Mesa, and expansion plans are being considered. In fact, our SENTRI team met with their Mexican counterparts last week to discuss expansion logistics.

## PUSHING SECURITY OUTWARD /PARTNERING WITH THE PRIVATE SECTOR

### Customs-Trade Partnership Against Terrorism

Any effort to ``push our zone of security outwards'' and protect global trade against the terrorist threat must include the direct involvement of the trade community. The Customs-Trade Partnership Against Terrorism, C-TPAT, is an initiative that was proposed in November 2001 began in January 2002, to protect the entire supply chain, against potential exploitation by terrorists or terrorist weapons. Under C-TPAT, companies sign an agreement with BCBP to conduct a comprehensive self-assessment of their supply chain security and to improve that security--from factory floor to foreign loading docks to the U.S. border and seaports--using C-TPAT security guidelines developed jointly with the trade community.

Companies that meet security standards receive expedited processing through our land border crossings, through our seaports, and through our international airports, enabling us to spend less time on low-risk cargo, so that we can focus our resources on higher risk cargo. C-TPAT is currently open to all importers, air, sea, and rail carriers, brokers, freight forwarders, consolidators, non-vessel operating common carriers (NVOCCs), and U.S. Marine and Terminal operators. As of October 1, 2002, C-TPAT eligibility for trucking companies along the

U.S./Canada border has been made available through the Free and Secure Trade Program. (Participation in C-TPAT is a requirement for bringing goods from the United States into Canada through the FAST lane.) We are currently developing the mechanism and strategy to enroll foreign manufacturers and shippers into C-TPAT. The intent is to construct a supply chain characterized by active C-TPAT links at each point in the logistics process.

To date, over 2,200 companies are participating in C-TPAT to improve the security of their supply chains. Members of C-TPAT include 60 of the top 100 importers and 32 of the 50 largest ocean carriers. To make sure that C-TPAT is realizing its promise, BCBP is developing expertise in supply chain security. In December 2002, we began providing training in the security validation process to ten supervisory customs inspectors. In January 2003, these individuals started the validation process in cooperation with our C-TPAT partners.

We used \$11 million in fiscal year 2002 and fiscal year 2003 funds to begin implementing C-TPAT. The \$12.1 million funding increase we are requesting for C-TPAT in fiscal year 2004 will enable us to continue to expand the program, including adding new C-TPAT Security Officers and headquarters staff to help oversee the program.

#### DEPLOYMENT OF TECHNOLOGY, EQUIPMENT, AND SYSTEMS

BCBP depends on a broad range of technology and other tools to effectively inspect people and goods entering the country, including technology for detecting weapons of mass destruction, explosives, chemicals, and contraband. We are requesting a funding increase of \$119.2 million to enable us to deploy a variety of additional inspection technology and equipment that will increase the number of inspections, improve security, minimize risks to our personnel, and facilitate processing.

##### Non-Intrusive Inspection Technology

For example, non-Intrusive Inspection (NII) technology provides for a more effective and efficient, as well as less invasive, method of inspecting cargo, compared with drilling or dismantling of conveyances or merchandise. NII equipment includes large-scale x-ray and gamma-ray imaging systems, portal radiation monitors, and a mixture of portable and handheld technologies to include personal radiation detection devices that greatly reduce the need for costly, time-consuming physical inspection of containers and provide us a picture of what is inside containers.

The Committees on Appropriations have generously funded NII in fiscal year 2002 and fiscal year 2003. Along with the amounts funded in those years, the \$57.8 million we are requesting for NII technology in fiscal year 2004 will enable us to add radiation detection systems and isotope identifiers on the southwest border, radiation detection systems and Mobile Vehicle and Cargo Inspection Systems (VACIS) on the northern border, Mobile VACIS at seaports, isotope identifiers and x-ray equipment for international mail, and isotope identifiers at Express Courier hubs, as well as additional inspector positions for deploying and operating this equipment. This technology will detect anomalies and the presence of radiological material in containers and conveyances, with minimal impact to port operations in a fraction of the time it takes to manually inspect cargo. It will give BCBP a tactical edge in keeping weapons of mass destruction and instruments of terrorism from entering the United States.



## Hardening of Northern Border

After the terrorist attacks of September 11th, efforts were stepped up to ``harden''--to prevent unauthorized crossings of--the northern and southern land borders. In addition to staffing increases, the hardening of these ports of entry involved the installation of gates, signs, lights, and remote surveillance systems at ports of entry, many of them in remote locations, along the vast northern border with Canada. The Border Patrol also deployed additional agents to strategic locations along the northern border to aid in providing security and deterring future attacks.

Funding from fiscal year 2003 is enabling us to continue to improve the northern border infrastructure by deploying additional barriers, gates, and bollard systems; security lighting; secure communications (voice/data/messaging capabilities); signage addressing operational security; and video security systems. We will also continue bolstering Border Patrol staffing and technology between the northern border ports of entry in fiscal year 2004.

## STAFFING

As important as our efforts to improve targeting, build partnerships with other countries and industry, and deploy technology are to preventing terrorism, these efforts simply cannot be effective if we do not have adequate staffing and training of inspectors, canine enforcement officers, and Border Patrol Agents at and between the border ports of entry to carry out our mission. The most important component of BCBP's success in protecting America and the American people lies in the men and women who work directly on our Nation's frontlines.

One need only recall that it was a Customs inspector, Diana Dean, who in December 1999 stopped and arrested an Al Qaeda terrorist from crossing into the United States from Canada with a trunk load of powerful explosives in his car. His mission, as we now know, was to blow up Los Angeles International Airport.

Inspector Dean relied on nothing but her training to pick up on Ahmed Ressam's nervous behavior, his unusual travel itinerary, and his evasive responses to her questions. And thanks to her skill and professionalism, and the skill and professionalism of her fellow inspectors at Port Angeles, Ressam was arrested and a deadly Al Qaeda terrorist plot to do great harm to American lives was foiled.

I am pleased to tell you that in fiscal year 2002, the number of new customs inspectors, canine enforcement officers, and special agents was more than doubled. Many of these new hires were able to relieve customs inspectors who had been sent to the northern border for temporary duty after the terrorist attacks of September 11, 2001, and to ameliorate the huge amounts of overtime being put in by U.S. Customs inspectors at our ports of entry.

1,025 new immigration inspectors were hired in fiscal year 2002, and the beginning of fiscal year 2003, 355 of whom have been specifically assigned to supplement northern border enforcement activities. The Border Patrol hired 2,050 new agents in fiscal year 2002, and, as of February 2003, a total of 560 Border Patrol Agents have been deployed all along the Northern Border. It is also worth noting that 125 additional Border Patrol agents and 4 Border Patrol helicopters have been redeployed temporarily to the Northern Border in support of Operation Liberty Shield. We intend to have a total of 1,000

Border Patrol Agents deployed to the northern border this year.

Our fiscal year 2004 budget request includes an additional \$13 million to continue to fund journeyman-level pay upgrades for Border Patrol Agents and Immigration Inspectors. Attrition rates for these positions are reaching crisis proportions, so it is essential that BCBP provide to them the upgrade from journeyman-level GS-9 to GS-11 that became effective for Customs Inspectors in August 2002.

I am extremely grateful for the strong support shown by Congress to implement critical staffing increases at and between our border ports of entry. I can assure you that because of them, our Nation is more secure. The standup of BCBP--and its integration of all the Federal Inspection Service (FIS) personnel under one roof--gives us the unprecedented opportunity to make America's frontline personnel even more effective and efficient in carrying out their duties. In fiscal year 2004, we will focus on achieving a unified agency and integrated operations at our ports of entry.

#### PARTNERSHIP WITH BUREAU OF IMMIGRATION AND CUSTOMS ENFORCEMENT

In performing our priority homeland security mission, BCBP will foster cooperative efforts with other agencies. Because the mission facing us has components that reach broadly into other agencies both within and outside of the Department of Homeland Security, such cooperation is essential to our success. This includes cooperation with, among others, the Bureau of Immigration and Customs Enforcement (BICE). Close cooperation between agents carrying out investigations and inspectors conducting inbound and outbound searches at the ports of entry is crucial for ensuring the continued success of operations that advance both our homeland security mission, and our traditional missions, including cooperation with respect to trade fraud, intellectual property rights violations, controlled deliveries of illegal drugs, and money laundering.

#### Automation/Information Technology

Mr. Chairman, no discussion of a successful strategy to protect the American people and the American economy in the 21st century would be complete without consideration of the central importance of automation and information technology to BCBP's mission. The Automated Commercial Environment (ACE) and International Trade Data System (ITDS) are BCBP's major automation/information technology efforts.

#### Automated Commercial Environment

ACE is an important project for BCBP, for the business community, for our country, and for the future of global trade. If done properly, it will reform the way we do business with the trade community. It will also greatly assist BCBP in the advance collection of information for targeting high-risk cargo to better address the terrorist threat. And in doing so, it will help us expedite the vast majority of low-risk trade.

The successful and timely design, implementation, and funding of ACE is a priority of BCBP. It has been and continues to be one of my top priorities as Commissioner. Increasing support from Congress and the Administration for ACE has been essential to the development of the new system. Funding of \$130 million in fiscal year 2001 and \$300 million in fiscal year 2002 allowed us to establish the fundamental design framework for ACE, and to begin developing user requirements for the new system, in concert with our prime contractor, the e-Customs

partnership led by IBM. Funding of \$307 million in fiscal year 2003 enabled us to continue development and begin to deliver on the first installment of ACE benefits to the trade community.

The development of ACE and the efforts to put its capabilities to work on America's borders has continued full throttle. Starting this year, BCBP and trade community users will receive initial online account capabilities. Ultimately, ACE will enhance border security and deliver efficiencies to the trade process by providing interagency information sharing, and real-time, cross-government access to more accurate trade information. By centralizing and integrating the collection and analysis of information, ACE will enhance BCBP's ability to target illicit cargo, illegal persons, and unsafe conveyances. The trade data will be analyzed prior to arrival, allowing advanced interagency assessment of risks and threats to determine which goods and people must be scrutinized. Results will determine if, upon arrival, a shipment is to be examined or cleared for release.

I want to thank Congress again for its past support of ACE. The continued support of ACE with \$307 million in funding for fiscal year 2004 will enable us to keep pace with our schedule for ACE releases in 2003 and 2004.

#### International Trade Data System (ITDS)

One important, fully integrated component of ACE is ITDS. The ITDS initiative is an e-Government strategy being designed, developed, and deployed jointly with ACE that will implement an integrated, government-wide system for the electronic collection, use, and dissemination of the international trade transaction data required by the various trade-related federal agencies. It is customer-focused and will serve as the government's ``single window'' into international trade data collection and distribution. Significantly, ITDS will also improve risk assessment by providing pre-arrival data that allows border enforcement agencies to perform selectivity and targeting prior to arrival to assess risk and deploy inspection resources. Over 100 agencies will be integrated through ITDS with ACE, of which 48 have been identified as having admissibility and export control responsibilities at the border.

Through ACE, the ITDS will be capable of linking the government's law enforcement and other databases into one large-scale relational database that tracks all commerce crossing our borders. ITDS extends the functionality of ACE by bringing together critical security, public health, public safety, and environmental protection agencies under a common platform. That platform will allow businesses to report data through the use of a single, harmonized data set.

The \$11.2 million we are requesting in the fiscal year 2004 budget for ITDS will allow us to continue to develop and implement ITDS, and keep us on schedule to have full functionality rolled out by winter 2006-2007.

#### Other Traditional Missions

Although BCBP's priority mission is preventing terrorists and terrorist weapons from entering the United States, we know that we must--and will--accomplish that priority mission while continuing to perform our traditional missions well. Included among those missions are our responsibilities for interdicting drugs at borders and points of entry, apprehending individuals who enter the United States illegally, regulating and facilitating international trade, and protecting U.S. agricultural and economic interests from harmful pests

and diseases.

#### Drug Interdiction

Our counterterrorism and counternarcotics missions are not mutually exclusive, and one does not necessarily come at the expense of the other. The initiatives we put in place to prevent terrorists and terrorist weapons from entering the United States will enable us to be more effective in seizing other illegal contraband, including illegal drugs. And, it is worth noting that the lessons we have learned in our battle against international drug trafficking will help us in the fight against international terrorism. In many ways, our priority mission of preventing terrorists and terrorist weapons from crossing our borders is a natural outgrowth of our interdiction role.

Our heightened state of security along America's borders will strengthen, not weaken, our counternarcotics mission. As we add staffing for both inspectors at the ports of entry and Border Patrol Agents between the ports of entry, acquire more inspection technology, conduct more questioning of travelers, and carry out more inspections of passengers and goods in response to the terrorist threat, it should come as no surprise that drug seizures will increase as well. As an example heightened security along the southwest land border produced a dramatic rise in the amount of cocaine seized in fiscal year 2002, compared to fiscal year 2001. Overall the amount of cocaine seized rose 76 percent at the southwest land border stations. In addition, in fiscal year 2002, total Border Patrol narcotics seizures included over 1.2 million pounds of marijuana and over 14,000 pounds of cocaine.

Some specific recent examples of our successes against drug smuggling include:

- On March 23, 2003, BCBP inspectors seized 394 pounds of cocaine in Miami, Florida. The cocaine was found in false compartments in the plane walls and ceiling.
- On March 10, 2003, BCBP inspectors seized more than five tons of marijuana in Laredo, Texas. The load was valued at over \$10 million.
- On March 13, 2003, Border Patrol agents seized 83.5 pounds of cocaine and 3,141 pounds of marijuana in Laredo, with a combined value of over \$5 million.
- During the week of March 1, 2003, BCBP inspectors seized \$2.4 million of narcotics at the Hidalgo/Pharr Port of Entry, including 559 pounds of marijuana, 74 pounds of cocaine, and 4.5 pounds of heroin.

Effective coordination between inspectors at the ports of entry and agents who carry out investigative activities is essential to the success of our counternarcotics mission. For that reason, BCBP will continue to cooperate closely with special agents in BICE to carry out this mission.

#### Apprehending individuals entering illegally between the ports of entry

The Border Patrol, now part of BCBP, is specifically responsible for patrolling the 6,000 miles of Mexican and Canadian international land borders and 2,000 miles of coastal waters surrounding the Florida Peninsula and the island of Puerto Rico. Their primary task is securing America's borders between official ports of entry. Foremost, the Border Patrol's mission is to provide for the national security of the United States by preventing the illegal entry of people, goods, and contraband across our borders. Secondly, Border Patrol operations are designed to detect, interdict, and apprehend those who attempt to illegally enter

the United States or transport any manner of goods or contraband across our borders. The Border Patrol also maintains traffic checkpoints on highways leading from border areas, conducts city patrol and transportation checks, and carries out anti-smuggling investigations.

The Border Patrol executes its mission through a proper balance of agent personnel, enforcement equipment (such as a fleet of specialized aircraft and vehicles of various types), technology (such as sensors and night vision cameras), tactical infrastructure (such as roads and vehicle barriers), and intelligence and liaison efforts. Often the border area in which these efforts are brought to bear is a barely discernible line in uninhabited deserts, canyons, or mountains.

Although the scope of the Border Patrol mission has not changed since the terrorist attacks of September 11, 2001, enforcement efforts have been accelerated, to enhance Border Patrol presence along the northern border and to make clear that its priority mission--like BCBP's--is keeping terrorists and terrorist weapons from entering the United States. As we expand that presence on the northern border, it is also essential that we expand control of the southwest border.

In fiscal year 2001 and 2002, Border Patrol Agents apprehended a combined total of over 2 million people for illegally entering the United States. In fiscal year 2004, the Border Patrol will continue focusing on strengthening northern border security between the ports of entry; maintaining and expanding border enforcement capabilities on the southwest border, with primary focus on the Arizona corridor; and expanding and integrating technologies with other components of BCBP to support border control efforts.

Preventing individuals from entering illegally at the ports of entry

With respect to preventing individuals from entering the country illegally at the ports of entry, BCBP works with the Department of State to ensure BCBP inspectors have the tools they need to verify the identity of visa holders and the authenticity of visas issued by the Department of State. Data on holders of immigrant visas is transferred electronically to ports of entry. When the electronic record is updated to reflect an immigrant's admission at a port of entry, that data is transferred electronically to the Bureau of Citizenship and Immigration Services for production of a permanent resident card and creation of the immigrant file.

More importantly, beginning in 2002, immigration inspectors--now in BCBP--have had access to photographs and data transmitted electronically by the Department of State relating to holders of nonimmigrant visas. This permits inspectors to review visa application data and verify the identity of the holder. Senior BCBP and State Department staff met during the week of March 24 to reaffirm their commitment to these initiatives and to outline new goals for electronic data sharing that will expand the exchange of data between State and BCBP, and further enhance both the visa issuance and inspections process.

Regulating and facilitating international trade

BCBP maintains responsibility for regulating and facilitating legitimate international trade. With the right level of industry partnership and the right combination of resources, we can succeed not only in protecting legitimate trade from being used by terrorists, but also in actually building a better, faster, more productive system of trade facilitation for the U.S. economy. The Office of Trade Relations has helped ensure effective, extensive communication between U.S.

Customs and all facets of the trade community. It remains a central point through which the trade community can convey issues to BCBP, especially the broad issues of how we do business together, and how we improve the security of our country against the terrorist threat.

Protecting U.S. agricultural and economic interests from harmful pests and diseases

An important part of BCBP is the agriculture border inspection program formerly in the Agriculture and Plant Health Inspection Service (APHIS). Thus, a significant part of BCBP's mission is preventing agricultural pests and diseases from crossing U.S. borders, either through intentional--possibly terrorist--acts, or through unintentional means. BCBP minimizes the threat of invasive species entering the United States by conducting inspections of travelers and cargo at our ports of entry. We have revised the Customs Declaration as directed by the Committee. The global economy and free trade expansion have dramatically increased the volume of passengers and cargo arriving in the United States from foreign locations, and this has created an increased need for agriculture inspection resources. In addition, foreign animal diseases, such as Foot-and-Mouth Disease (FMD), that exist in other countries pose serious threats to our livestock industry and therefore require us to increase inspectional activities at our borders.

The President's fiscal year 2004 funding request will provide additional inspections and canine teams that will increase our effectiveness in preventing dangerous diseases and pests from entering the United States.

#### User Fees

User fees make up a significant portion of BCBP's budget. In fact, combined, they represent over \$1 billion of our overall budget. An additional \$1.1 billion in Merchandise Processing Fees is collected as an offset to our appropriations. In fiscal year 2003, we expect to collect \$991 million in user fees, \$305 million of which comes from fees established under the Consolidated Omnibus Budget Reconciliation Act (COBRA). We expect to collect \$1.1 million in Merchandise Processing Fees in fiscal year 2003. The fiscal year 2004 budget request assumes that the fees established under COBRA, which expire at the end of the fiscal year 2003 will be reauthorized.

#### Conclusion

Mr. Chairman, Members of the Subcommittee, I have outlined a broad array of initiatives today that, with your assistance, will help BCBP to protect America from the terrorist threat while fulfilling our other traditional missions. We know that this new agency, BCBP, faces great challenges in merging the border agencies and in fulfilling both our priority and traditional missions. But, now that all the Federal Inspection Services and the Border Patrol have been unified in BCBP, under the Department of Homeland Security, we are in a far better position to meet those challenges and accomplish those goals. We will be far more effective working together, than we were as separate agencies in different departments. With the continued support of the President, DHS, and the Congress, BCBP will succeed in meeting the great demands placed upon it, and will play a key role--by better securing our border against the terrorist threat--in the Department of Homeland Security.

With your support for BCBP's 2004 budget request, we will be able

to build this new agency, continue and expand our counterterrorism initiatives, and improve our efforts to protect America, the American people, and the American economy.

Thank you again for this opportunity to testify. I would be happy to answer any of your questions.

Senator Cochran. We will now hear from Admiral James M. Loy, Administrator of the Transportation Security Administration.

#### STATEMENT OF ADMIRAL JAMES M. LOY

Admiral Loy. Good morning, Senator Cochran, Senator Byrd, and members of the Subcommittee. First, let me offer my condolences to the Senate on the loss of Senator Long. I know that long-serving, distinguished member is on all of your minds this morning.

Mr. Bonner and Director Patrick, they both work tremendously in our new Department of Homeland Security and I am proud to sit with them here this morning. I am pleased to testify this morning and allow me to congratulate each member on their assignment to this enormously important committee. As we work together today, we still are at war, both overseas and here at home as we try to understand and cope with this 9/11 security environment.

We need look no further than today's headlines, as Senator Byrd has reminded us, the truck bombs in Riyadh, Saudi Arabia, let alone the TOPOFF exercise that is being run in Seattle and Chicago. This is today's business, and we are in the midst of it. Thank you, sir.

The global war on terrorism is a frightening notion to many Americans, because we know so little about this new enemy with no flag and no borders, but with a hatred that truly seems to defy our comprehension. And I join you today, representing a TSA relocated into the Department of Homeland Security. It is clearly the right place for us, because our mission is 100 percent homeland security.

I can report to you that as a person, we at DHS are working hard to build the Department's capacity to secure America. Let there be no doubt it is very hard work.

There seemed to be vulnerabilities everywhere. And the President has provided the vision, the Congress has provided the framework, and Secretary Ridge is leading the way to breathing life into DHS. We will get this right.

I will be brief this morning, Mr. Chairman, I would like to mention just a couple of words on four things. First to look back over my shoulder for a moment. I spent 42 years in uniform. I went to war in Vietnam. I went to Valdez where there were 11 million gallons of crude oil in Prince William Sound. I commanded ships at sea. I directed operations that saved tens of thousands of lives, Haiti and Cuban migrant crises. And I can truthfully say that this past year has been the most challenging and rewarding leadership experience of my life. It continues apace today with no end in sight.

The work is gratifying. The stakes are impossibly high. I am surrounded by deeply committed patriots and am enormously proud of what we have accomplished this past year. I am also

enormously appreciative of the patience shown by the Administration and the congressional subcommittees who provided oversight and resources as we grappled to meet the 36 mandates outlined in ATSA.

We literally re-baselined our budget a half-a-dozen times over the course of this past year, as we learned day by day what the price tag on one hand and the programmatic direction on the other should be for this new agency.

We are really still doing that. Week by week, we juggle both the job description and the budget. I believe that is pretty normal, as the Congress and the Administration sort out the expectations that they have for this new agency.

Even as we speak, we continue to sort out a spending plan for the rest of fiscal year 2003. I hope to have that to the committee shortly. We have certainly learned from this experience and want to work closely with you on our fiscal year 2004 requirements so that we can avoid the significant adjustments necessary to accommodate the allocations not included in the President's request.

The Congress has been particularly patient with me as we respectfully disagreed on the size of the screener work force needed to secure our airports. As you know, we are grappling with that now as part of our effort to make efficiency and effectiveness our trademarks at this agency.

You have all heard many times the inventory of accomplishments this past year, so I will not repeat them. What I will repeat is the pride we all take at TSA in what we got accomplished.

Were there holes and bad days and things we wish we did better? Of course. We were and we are at war. But even those things we did poorly are being systematically cleared up one by one. You have my pledge to complete that task. And in the meantime, we have done a lot of things well, on time, on budget, and against huge expectations that they simply could not be done.

Second, the President's 2004 budget seeks \$4.81 billion, about half of which is to be financed by the passenger and airline fees established in ATSA. This budget is dedicated to stabilizing and strengthening our essential missions.

The request is some \$350 million less than the budget enacted in the fiscal year 2003 Omnibus Appropriations Act. That is reasonable considering how much of our 2002 and 2003 experience focused on one-time start-up costs, including \$1 million per machine and significant contractor outlays.

The President's request seeks funding in five major areas: aviation security; maritime and land security; intelligence; R&D; and administration. And the documents submitted itemize specific dollars for all five areas, and I will gladly go into specifics during questions.

Third, I would like to comment on a small but very important group of special projects that we have underway. Much has been written recently about CAPPS II. I certainly invite the Committee's questions, but let me just say it will be the most significant tool we build to contribute to both security and customer service. We have offered a number of briefs to the Congress, and they have all been well attended. And we will provide more as requested.



I understand deeply the privacy implications of the project, and we are reaching out systematically to gain counsel and input from all as we build this project and its privacy strategy. I am absolutely committed to providing Americans a full measure of both security and privacy, and I ask for your informed support for this project.

Our Transportation Worker Identification Credential project is now in its evaluation stage. It will offer efficient and effective leaps forward in identification and verification and access control for workers across the transportation system. I am appreciative of the Committee's support for TWIC and ask that it continue.

These two projects, TWIC and CAPPS II, provide the foundation blocks for a ``Registered Traveler'' Program, which will expedite processing for those who volunteer to meet its specifications.

Lastly, the Federal Flight Deck Officer Program. We have trained and graduated our prototype class of 44 volunteer pilots, which we conducted at FLETC. We will learn from that experience and tweak the curriculum as necessary to press on to the full scope training that will add another dimension to our layered security system in aviation.

Mr. Chairman, I want to address just three personal organizational goals, and I intend to focus on them until I get them right. The first is to finish the work we started at the Nation's airports. We crossed the country twice and left a wake behind us in many places. We must finish the checkpoint reconfiguration work where needed, and we must finish the explosives detection installations in many airports across the country.

A few airports must still be brought to 100 percent electronic screening. Others must be kept in compliance as the busier flying season approaches. Equipment must be repositioned because it had to be installed often in haste and in lobbies to meet the 12/31/2002 deadline.

There are some airports where simple efficiency and effectiveness suggest inline EDS installations as the only reasonable alternative. And my goal is to optimize the use of every dollar appropriated for this task to get as much of this work done as soon as possible.

I thank the Congress for the provision of the Letter of Intent (LOI) tool. It will instantly enable us to negotiate with airport directors to leverage private sector capital to accomplish these projects and then reimburse those airports over multiple budget cycles.

My second goal is hinged to the first. We will aggressively manage the size of our workforce. I have two staff projects underway to right-size the screener workforce. One in the short term, and one midterm, both based on risk management principles.

I will challenge every position in the model used and insist the new standard pass the common sense test. I will also challenge every FSD, Federal security director, to optimize his or her management of the resulting screener force. That means we replace attrition over the next couple of months, even years. The focus as we do that will be on part-time hiring to provide the flexibility necessary at those airports. We will do

this work with great respect to our workforce but we will meet the reduction goals and do so with the first skills-based retention program in this Government's history.

My last focus, Mr. Chairman, will be on building an adequate administrative support structure in TSA. I must ensure that we have in place the structure to adequately deal with contract oversight, workforce administration, EEO complaints, customer inquiries, and those other classic support functions that we only talk about when they do not get done well.

Our new H.R. contractors will be held accountable for what we expect of them. We brought aboard 55,000 people in very short order and are only now building the H.R. infrastructure they deserve. These are dedicated Americans employed to provide us the security we demand, and we owe them the model workplace that I have described.

In closing, Mr. Chairman, allow me to follow up on the discussion the subcommittee had with Mr. Hutchinson last week. Several members asked him about transportation sectors other than aviation. ATSA is very clear that TSA is responsible for the security of the entire transportation system. And I take that charge quite seriously and am close to the first draft of a national transportation system security plan. We will deal with aviation, maritime, rail, transit, highways, and pipelines as the six critical elements of that system.

Our intention is not to necessarily do security in those other five sectors in the people-intensive way that we were required to do so in aviation. But we must ensure the other modes are adequately security conscious.

The Congress has expressed a keen interest in ports and rail, and I believe my charter is to be able to advise Secretary Hutchinson and Secretary Ridge as to the security, status and readiness of the entire system. I look forward to working with all the transportation stakeholders in the Congress to eliminate any weak links from our system and to integrate this work into the greater homeland security challenge being met by DHS.

#### PREPARED STATEMENT

Thank you, Mr. Chairman. I look forward to your questions, sir.

Senator Cochran. Thank you very much, Admiral Loy.

[The statement follows:]

#### Prepared Statement of Admiral James M. Loy

Good morning, Chairman Cochran, Senator Byrd, distinguished Members of the Subcommittee. I am pleased to testify before the Subcommittee on the fiscal year 2004 Budget request for the Transportation Security Administration (TSA). I join you today representing TSA as part of the new Department of Homeland Security (DHS). Our inclusion in this new department is both fitting and natural, because our mission is completely aligned with the mission of DHS. Secretary Ridge is deeply engaged in fusing together the 22 agencies contained in DHS, and TSA is proud to be a part of the DHS team working to find efficiencies, make management improvements, and coordinate the necessary protection of our homeland.

In a little over a year of existence, TSA has achieved much. We have met 100 percent of the aviation screening mandates and all of the other statutory deadlines set by Congress. We have focused on getting the job done and done well. Although we are off to a great start, there is still more to do to successfully accomplish our transportation security mission. Much of this additional work is about understanding the bigger picture of our national transportation security system, which is intermodal, interdependent, and international in scope.

We wish to thank you for addressing TSA's critical needs with additional funding in the War Supplemental. This funding represents much needed relief in continuing to achieve results that are critical to our mission. We appreciate the additional resources and are taking action to fulfill the direction set in the legislation. We are working with your staff to explain our revised fiscal year 2003 TSA spending plan. As I recently announced, TSA will be reducing its workforce-- 3,000 by May 31, 2003, and an additional 3,000 by September 30, 2003-- in the months ahead. In addition, TSA will reduce the cost for law enforcement and move away from fixed point stationing of officers, all the while maintaining appropriate security requirements. TSA also is working rapidly to implement the provisions of the supplemental legislation providing assistance to airlines for strengthening cockpit doors and for TSA-mandated aviation security costs and foregone revenue. We fully intend to make these disbursements within 30 days as Congress directed.

Now I would like to speak to you about where TSA is going and how our fiscal year 2004 budget will get us there. I urge you first to consider TSA's critical budget needs in the context of where we have been. We have had to use available resources to build our organization from the ground up at the same time we have been focused on accomplishing our mission.

I can report to you today that TSA has produced significant results during its short existence:

- On Saturday, April 19, 2003 the inaugural class of volunteer commercial pilots graduated from TSA's Federal Flight Deck Officer (FFDO) training. After 48 hours of intensive training, these pilots were sworn in as federal law enforcement officers, with jurisdiction limited to the flight deck, or cockpit. These officers add another layer of security to the skies.
- We have identified, intercepted, and therefore kept off aircraft more than 4.8 million dangerous items, including 1,101 firearms; nearly 1.4 million knives; 39,842 box cutters; 125,273 incendiary or flammable objects; and 15,666 clubs.
- We have put in place a Federalized passenger and baggage screener workforce, which has been widely complimented as professional, courteous, and competent.
- We have recruited, trained, and deployed a professional cadre of Federal Air Marshals, who protect passengers and provide security on aircraft.
- We have implemented 100 percent screening of checked baggage through EDS or Congressionally approved alternative means.

I am personally committed to making TSA a model workplace as we achieve these and even greater results. This means building and maintaining carefully a professional culture across the organization to form a foundation for future success. This culture includes:

- Aligning our operational programs with DHS and TSA threat-based risk management plan;
- Close and constant communication with the entire TSA workforce and

our stakeholders about our mission, vision, values, and goals and objectives;

- A commitment to rigorous performance management, both at the organizational and individual levels;
- Creating a diverse and inclusive workplace culture based on mutual respect, fairness, optimal communication, cooperative problem solving and teamwork, and enabling all TSA employees to perform at the highest level;
- Continued targeted investments in critical training and information technology to reduce the size of the workforce while maximizing its impact;
- Creating a streamlined and effective administrative infrastructure to support all our operations.

A key aspect of a true learning organization is to learn from past mistakes. We had some missteps last fall as we moved rapidly to hire screeners to meet the Congressionally mandated deadlines for Federalizing passenger screening checkpoints and complete 100 percent checked baggage screening. We have learned from these challenges and will continue to improve in this fiscal year and fiscal year 2004. Over the past several months, we have implemented several acquisition, financial, and other management initiatives that address fiscal year 2002 concerns raised by the Subcommittee.

As we build our culture and the organization, we must constantly focus on our mission. TSA's mission is to protect the Nation's transportation systems to ensure the freedom of movement for people and commerce. Our vision is to continuously set the standard for excellence in transportation security through TSA's people, processes, and technologies. We have embraced the values of integrity, innovation, and teamwork as we pursue excellence in public service. TSA also strives to be efficient and effective in its use of resources.

Our strategic goals provide a clear understanding of our security responsibilities, including awareness of the full scope of potential risks; deployment of comprehensive prevention, protection and response activities; and organizational mandates to optimize performance and stewardship requirements. We are building a system of performance and accountability that incorporates a clear line of sight linking every employee's role and responsibility to the central TSA mission and strategic goals.

In establishing and communicating our mission, vision and values, and in identifying our strategic goals, we have given all TSA employees and the stakeholders we serve a clear agenda of purpose and excellence. Our budget identifies the programs and resources required to most effectively achieve TSA's goals.

In accomplishing our mission, we are also acutely aware of the challenge of maintaining balance--between freedom and security, and between security and customer service. Our mission is to ensure freedom of movement for people and commerce, and our process is to meet the needs and expectations of the American people with the greatest consideration for their privacy and the least disruption to their routine behavior. Our top priority is providing maximum security with minimum intrusion. TSA's fiscal year 2004 Budget of \$4.812 billion is dedicated to stabilizing and strengthening our essential mission. Our fiscal year 2002 and fiscal year 2003 budgets included many large start-up costs, including the purchase and installation of necessary explosives detection equipment. Although these costs will not recur in fiscal year 2004, savings are partially offset by recurring costs for maintenance and administration. Before I summarize the key elements of

our fiscal year 2004 Budget request, I would like to highlight several programs that I know are items of interest to Members of the Subcommittee.

--Computer Assisted Passenger Pre-screening System.--Funding in the amount of \$35 million is requested for development of the second generation Computer Assisted Passenger Pre-Screening System (CAPPS II). CAPPS II is an automated threat assessment tool for airline passengers that can be modified based on new intelligence information and changing threat priorities. It will enhance aviation security, refine the passenger secondary screening selection process, and improve airport passenger flow. We are aware of privacy concerns with this system and are building strong privacy protections into the system to address those concerns. We will continue to work with key stakeholders as development of this system moves forward. As Secretary Ridge has committed to Congress, we will work closely with the Department's newly appointed Privacy Officer to ensure that CAPPS II respects the privacy rights of Americans. We have also held several briefings, both in closed and open session, for Members of Congress and their staffs and will work with Congress to create a better understanding of what CAPPS II is and is not.

--Federal Flight Deck Officers.--A request of \$25 million will support the first full year of implementation of federal flight deck officer training, which supports the recently passed legislation authorizing the arming of pilots. These pilots will complement the Federal Air Marshals deployed within the aircraft and will be authorized to act only if the cockpit is threatened. TSA has established an initial program for participant qualification and is planning for requalification certification. Our prototype class just graduated April 19, and it is expected that the training program will be ready for full deployment in late fiscal year 2003 and fiscal year 2004.

--Transportation Worker Identification Credential.--This initiative focuses on developing identification standards for documents to identify individuals for access purposes. Multiple types of technology are being evaluated to determine the best approach.

--Registered Traveler.--TSA requests \$5 million to develop a registered traveler program that will pre-screen low risk travelers so that available resources can focus on unknown and high-risk individuals.

--Air Cargo Security.--The TSA budget requests \$20 million to design and develop a random, threat-based, risk-managed freight screening process and continue the development of an automated and enhanced ``known'' shipper program. It is estimated that there are 12.5 million tons of cargo transported per year, 2.8 million tons of which is now secured on passenger planes and 9.7 million tons on cargo planes.

--Explosives Detection System (EDS) Installation.--TSA is continuing to work with airports to install remaining EDS systems and will continue to ensure that all checked baggage is screened. As part of our effort to utilize letters of intent (LOI) to optimize these installations, TSA expects to amend its fiscal year 2004 request within the proposed funding level to finance LOI costs. We will do so in the near future.

The five major components of the TSA budget are Aviation Security, Maritime and Land Security, Research and Development, Intelligence, and

Administration.

#### Aviation Security

The majority of TSA's budget is centered on securing the air transportation system, as provided in the Aviation and Transportation Security Act. The September 11 terrorist attacks highlighted the need for vigilant aviation security, and there is every indication that aviation will continue to be an attractive target for terrorist groups.

Our first priority is to protect air travelers by continuing to build on the aviation security measures now in place at all of the Nation's more than 400 commercial airports, maintaining a balance between world-class security and outstanding customer service. TSA has set into place a system of reinforcing rings of security to mitigate the risk of future terrorist or criminal acts. These security measures cover air traffic from curbside to cockpit, supported overall by intelligence and threat analysis. In full compliance with Congressional deadlines and mandates, passenger and baggage screening operations are federalized and meet established standards of screening 100 percent of checked and unchecked baggage. The screeners we have trained and deployed put a face on TSA and provide to the American public the most visible expression of our efforts. Their thoroughness, professionalism, and courtesy are key elements in restoring and maintaining the traveling public's confidence in the safety of aviation. We have also deployed state-of-the-art metal detectors and explosives detection machines.

TSA has selected 158 Federal Security Directors to oversee air transportation security, and worked with State and local officials to post law enforcement personnel at passengerscreening checkpoints. I appreciate the authority provided by Congress for flexible stationing of law enforcement officers where we feel it is appropriate. TSA both performs background checks for TSA airport personnel, and also undertakes regulatory inspection and enforcement of agency security directives. We are providing these security measures with a workforce that is proud of its important work and that has won the respect of the traveling public.

The \$4.2 billion request for aviation security activities for fiscal year 2004 includes approximately \$1.8 billion for passenger screening, \$944 million for baggage screening, and \$1.5 billion for airport support and enforcement.

Fully funding the fiscal year 2004 funding request will allow TSA to ensure the safety of the traveling public in secure airport terminals and aboard aircraft. TSA will continue to implement efficiencies in screening operations, including both technological enhancements and cross training of passenger and baggage screeners, to further reduce the reliance on personnel. As a result, our 2004 request represents a staffing decrease of 3,000 screeners as compared to 2003 levels.

We are requesting \$27 million to expand deployment of technologies to improve physical security at the passenger and baggage screening checkpoints. We will be augmenting existing surveillance systems currently in use or planned at many airports, sharing cost and information with airports.

The President is requesting a total of \$45 million for risk management initiatives to increase the effectiveness and efficiencies of the passenger screening process. This includes the \$35 million for the CAPPS II project already described above, plus \$5 million to support the creation of a registered traveler program to increase

security while decreasing the hassle factor for travelers. The goal of such a program is to better utilize available resources by focusing on unknown and high-risk individuals. Another \$5 million is requested to continue background checks for airport personnel and vendors operating in secure terminals of an airport to streamline the gate screening process.

To provide baggage-screening security, TSA uses a combination of EDS; explosives trace detection machines (ETD), and where necessary other congressionally approved alternative methods of screening, such as passenger-bag match, canine teams, and physical search. EDS is deployed as a cost-effective screening process at many of the higher volume and high-risk airports, and ETD is deployed as a comparable screening system of acceptable effectiveness at those airports where operational factors do not warrant EDS deployment.

In 2004, TSA will continue to improve the efficiency and effectiveness of baggage and cargo screening. We expect ``on-screen'' resolution procedures to reduce many false alarms. We request \$100 million for in-service upgrades and maintenance of approximately 8,000 explosives trace and detection devices at more than 400 commercial airports. TSA will continue to develop information on EDS performance to assure that our baggage screening equipment and procedures represent the most effective and reliable operations available.

Consistent with our multi-layered approach, TSA requests \$900 million to provide strong security direction and enforcement presence on-site at the Nation's commercial airports. This funding will support a number of different activities. This includes the 158 Federal Security Directors and support staff, the required leasing of airport space and the development of IT infrastructure to support those offices. These funds will provide resources for working with State and local law enforcement personnel, where appropriate, to ensure passenger safety and national security. This funding will also continue the regulatory screening and enforcement program to monitor security measures performed by airport operators and air carriers. It is imperative that a standardized approach to physical aviation security measures be implemented at the Nation's airports. TSA field inspectors across the country will perform the regulatory screening and enforcement activities, which were previously administered by the Federal Aviation Administration's Civil Aviation Security program. Finally, this funding includes funds requested to expand the Federal Flight Deck Officer program to train and arm volunteer pilots.

A request of \$600 million will support the full complement of officer and support staff assigned to the Federal Air Marshal Service (FAMS). The Federal Air Marshals are an integral part of our layered rings of security for aviation, defending against on-board passengers intending to harm an aircraft and our aviation system.

#### Maritime & Land Security

As the prospect of further terrorist attack continues to loom, the security of maritime and land transportation systems merits additional consideration. TSA, as part of the Border and Transportation Security Directorate, is partnering with other DHS organizations, such as the Coast Guard, the Bureau of Customs and Border Protection, the Information Analysis and Infrastructure Protection (IAIP) Directorate and the Science and Technology Directorate of DHS, to address other surface and maritime transportation security responsibilities.

The Memorandum of Agreement I have signed with the Federal Aviation Administration and correspondence I have exchanged with Secretary

Mineta establish the framework for continued cooperation with the Department of Transportation. We continue to partner with the operating administrations of the Department of Transportation, that provide a vital link with the transportation providers to ensure that there is neither duplication nor are there gaps in critical federal transportation security initiatives. The framework provides a vehicle for continuing cooperation and collaboration, and paves the way for further security-related legislation, rulemaking, resource utilization, and administration of transportation security grants.

TSA is proceeding on a number of fronts, including.--(1) awarding grants to improve the security of ports and cargo, (2) working with the IAIP Directorate and the Coast Guard to design a terrorism risk assessment tool tailored specifically to maritime and surface transportation facilities, and (3) working with our other federal partners to ensure intermodal consistency, where appropriate, in security regulations for the national transportation system, including requirements that will facilitate assessing and improving the security of transportation facilities and infrastructure.

TSA's Maritime and Land operations are continuing to work with IAIP, the Coast Guard, and the Bureau of Customs and Border Protection to develop security standards and regulations for all non-aviation modes of transportation. These efforts will include benchmarking to establish best practices, industry outreach, and extensive collaboration with Department of Transportation (DOT) agencies in order to leverage these agencies stakeholder contacts and transportation expertise. These standards will not displace or conflict with the security standards being developed by other federal agencies. Rather, they will complement the efforts of other federal agencies to ensure there are no gaps in the security of the national transportation system.

Specific project funding included in the fiscal year 2004 President's request includes \$55 million for the Transportation Worker Identification Credential (TWIC), a sophisticated access control credential, and \$2.5 million to complete work on our Operation Safe Commerce pilot program, to continue to learn the best approach to dealing with the container vulnerability threat.

#### Research & Development

TSA is requesting \$20 million for aviation related research and development initiatives in 2004. This request includes initiatives related to Next Generation EDS (\$10.0 million), and Air Cargo (\$10.0 million). The Next Generation EDS initiative aims to increase throughput and lower false alarm rates at equivalent or better detection performance capability. This program will perform simulation and modeling of alternative checked baggage-screening technologies, and expand systems testing of off-airport screening capability. This research will also explore EDS screening capabilities for small airports.

The request of \$10 million for the Air Cargo Pilot will support research and development of new performance methodologies in detecting threats to air cargo. The 2004 effort will continue to address how existing devices and procedures can best be applied to air cargo, and to investigate new air technology security concepts, including advanced sensors for effective cargo screening.

#### Intelligence

TSA is requesting \$13,600,000 to continue to support 100 TSA



intelligence positions in 2004. Included in the base funding request are base salaries and benefits, including locality pay, and data base access and equipment maintenance requirements. As part of DHS, TSA will work to integrate its analysis and products with other intelligence components of DHS while continuing to support its transportation customer base with analysis on transportation security and intelligence. DHS will disseminate information on possible threats as rapidly as possible to our Federal Security Directors, airport staff, and airline personnel, current and strategic warnings will be provided regarding threats to U.S. transportation modes, and trends and changes in targeting will be identified. TSA is working with IAIP to increase its intelligence capabilities increase in other transportation areas and to disseminate information to other key officials.

#### Administration

Funding in the amount of \$421.2 million is requested for essential administrative support of program activities. This amount represents less than 10 percent of TSA's total budget request, and provides financial and human resources support; information technology support; policy development and oversight; performance management and e-government; communication, public information and legislative affairs; training and quality performance; internal conduct and audit; legal advice; and overall headquarters administration.

Effective use of information technology (IT) is key to TSA's success, and \$145.2 million of the administrative request supports information technology core requirements, which are being provided through a managed service contract.

As a new organization, we have used the opportunity of our ``clean slate'' to create a lean administrative infrastructure that can serve as a model for other agencies. We have outsourced high volume administrative activities to streamline Government operations.

TSA's management structure and business processes are fully aligned with the President's Management Agenda, and we are establishing a culture of management efficiency through initiative and innovation.

In the human capital area, training and performance assessment will continue to receive high priority focus and resources, and in fiscal year 2004, TSA will address human capital planning, standards for internal accountability systems, and organizational development. We have stood up a large organization and now must concentrate on building the infrastructure to support that workforce.

Competitive sourcing has been a key component of TSA since its inception, and TSA will continue to use the private sector to perform commercial functions whenever possible and appropriate. For example, TSA has outsourced the hiring, training, and servicing of screeners; the design and installation of explosives detection equipment; and the redesign and reconfiguration of passenger checkpoints. In fiscal year 2004, TSA will continue to pursue contracting opportunities, particularly in the areas of equipment deployment and financial management, incorporating robust contract oversight into this process.

Financial management is identified as a fundamental element of improving management of government programs. At its standup, TSA implemented the Department of Transportation's Delphi financial management system. Under the Department of Homeland Security, we are migrating to Oracle Financials, and exploring the use of Oracle and other financial systems to meet all Joint Financial Management Improvement Program requirements and to give managers budget and performance information on their program operations.

The TSA budget request includes funding to continue to implement and maintain a comprehensive, enterprise-wide architecture to support TSA's mission and the President's E-Government initiative. This architecture will be the transport mechanism for data and will provide the necessary support services to TSA's major programs. TSA will also continue its e-government efforts through the implementation of the TSAWeb to provide public information as well as shared services and all mission-critical, operational and administrative applications for internal and external stakeholders.

We will adopt budget and performance integration as the fundamental structure of TSA's program planning and execution to make sure we support and fund those programs that make American transportation systems more secure. We will establish accountability by linking how much we're spending with what we're achieving. TSA intends to implement full integration of cost accounting that links costs to performance goals and therefore to performance results.

I have initiated a rightsizing project that will enable us to reduce the screener workforce as called for in both the fiscal year 2003 and fiscal year 2004 budgets. Obviously, this will be done in a manner that is consistent with maintaining the security paradigm. We will use a riskbased approach to rightsize our workforce and demonstrate to the President and Congress that we are obtaining the maximum security and protection for the traveling public from the resources provided. That is our challenge and I intend to meet it.

Mr. Chairman, Senator Byrd, Members of the Subcommittee, we intend to meet our responsibility for providing security for the Nation's transportation systems with both sensitivity and common sense, by meeting core statutory requirements, by developing and implementing supplementary programs, and by partnering with Federal, State, and local agencies, and with private industry and other stakeholders, to advance the mission of protecting our homeland.

The role of the Transportation Security Administration in meeting this challenge is unmistakable. The nine stars and eleven stripes that appear behind the American eagle on the TSA logo are a daily visual reminder of the ``Why'' of our organization. The programs and resources I have talked about today represent the ``How''. I appreciate the support TSA has received from this Subcommittee and look forward to working with you as we continue this important effort. I will be pleased to answer your questions.

Senator Cochran. We will now hear from Ms. Connie Patrick, Director of the Federal Law Enforcement Training Center.

#### STATEMENT OF DIRECTOR CONNIE L. PATRICK

Ms. Patrick. Good morning, Chairman Cochran, Senator Byrd, and the other distinguished members of the committee. It is a pleasure to be here with you today to discuss the President's fiscal year 2004 budget request, our first under the Department of Homeland Security.

This marks our first opportunity to appear at--for me to appear before a Senate subcommittee since being appointed the Director of the Federal Law Enforcement Training Center in July 2002.

I want to extend my appreciation to Secretary Tom Ridge and Under Secretary Asa Hutchinson, who have already demonstrated their enthusiastic and unqualified support for the vital role

of the FLETC and the role it is expected to play in the new Department of Homeland Security.

I also want to acknowledge the support the Congress has long extended to the FLETC. I stand ready to work with you and direct the FLETC towards successful completion of the objectives set forth by the Administration and Congress in the protection of our national security and interests.

The two pillars upon which FLETC was founded are quality in training and economy of scale. Neither of these can be achieved without the cooperation of our partner agencies. There are now 75 partner agencies who train at the FLETC. And we all train under the concept of consolidated training, which means we share training knowledge and experience, funds, and law enforcement training uniformity and standardization to accomplish the mission.

FLETC is now 33 years old. We have trained more than 500,000 agents and officers across government, and have graduated them from both agent and officer training programs. Those programs include statutory requirements for law enforcement, as well as ethical training, firearms, physical training, investigative skills and techniques. I think it is important to mention that for every dollar given to training, it goes not directly to one agency, but to 75 agencies.

Mr. Chairman, as we enter a new era in law enforcement operations in the United States, I believe that FLETC is a great example of a government approach intended by the legislation creating the Department of Homeland Security, a means to harmonize the work of many law enforcement agencies through common training, while at the same time maintaining quality and cost efficiency.

In fiscal year 2003, 65 percent of the FLETC's projected workload will come from the nine law enforcement agencies transferred into Homeland Security. In fiscal year 2004, this work will continue to be above 50 percent of our estimated total Federal training workload. And within the last week those numbers have been reported to me to be approximately 73 percent of our workload, will come from the nine law enforcement agencies now in Homeland Security. In addition to that, we maintain robust State, local, and international law enforcement training activities, many of which will help further complement the mission to secure our homeland.

Under the leadership of Secretary Ridge and Under Secretary Hutchinson, FLETC intends to work closely with all segments of DHS. FLETC, as a member of DHS, will help support the unity of command and the coordination and efficiency themes sought in the public law that created the Department.

FLETC has a long history of service to many of the DHS components, to include the Secret Service, the Customs and Immigration and Naturalization Services, including the Border Patrol, the Federal Protective Service, and most recently, the Transportation Security Administration.

With the establishment of the Bureaus of Customs and Border Protection and Immigration and Customs Enforcement, FLETC is ready to help facilitate, develop, and implement new training and cross-training programs. We recognize that much of this effort and expertise will necessarily come from the agencies involved, and that there will be significant adjustments made

over time to all DHS-related training programs, basic and advanced. We are already involved in a systematic review of the existing training for these new entities to address the need to meld the duties of the participants. In the meantime, training will continue unabated to achieve the expectations of our agencies.

#### FISCAL YEAR 2004 BUDGET REQUEST

In this fiscal year 2004 budget, the President submitted a budget request for the FLETC that included an operating expenses appropriation of approximately \$122 million, and 754 FTE. The request for the Capital Acquisitions appropriation is approximately \$24 million, for a total request of just over \$146 million.

FLETC's overall fiscal year 2004 budget is \$206.058 million based on an estimated \$60 million in funds to be reimbursed by partner agencies for certain training and related services. As a matter of long-established fiscal policy, the FLETC operations are partially covered by agency reimbursements in addition to the appropriation authorized by Congress. Essentially, this has evolved to a point where FLETC funds the mandated entry-level training and facility development and operations, while the participating agencies reimburse us for certain training costs and support.

#### OVERVIEW OF OPERATIONS

As part of my discussion, I would like to provide you with a brief overview of the operations of FLETC. We conduct both basic and advanced training for the vast majority of the Federal law enforcement officers in the United States. We provide training for State, local, and international officers in specialized program areas and support the training provided by our partner agencies that is specific to their individual mission needs.

In addition to our onsite training at the FLETC residential facilities, some advanced training, particularly for State, local, and international law enforcement, are exported to regional sites, many of which are in your States, and that provides a lower cost of training to our customers, as well as making it more convenient for them to obtain training.

#### WORKLOAD

As a result of the September 11 attacks, our partner agencies' workload have increased significantly. We are projecting the greatest increase in training requirements in our history. And to give you just a scale on that, before 2001, our highest training workload was about 25,000 students. This year we will train approximately 37,000, and the numbers projected for next year are somewhere around 55,000 students.

Over the years, the FLETC has experienced a number of periods of sustained growth in the training requests by its partner agencies, and we have been able to accommodate those by being innovative in the use of our existing resources. To meet the training needs, the FLETC continues to work on a 6-day

workweek at the Glynco facility, which we began in January of 2002.

This format allowed FLETC to accelerate training to get students on the streets more quickly. In fact, we have graduated about 2,000 more students this year than we would have had we not been on a 6-day work week, just to meet the needs of our agencies, primarily those in DHS.

#### FACILITIES CONSTRUCTION MASTER PLAN

For future planning purposes, FLETC contracted with a private firm experienced in facility planning to conduct a study that will project future facility requirements. This study should be completed shortly. It is a three-phase plan that will place emphasis on eliminating capacity shortcomings at all FLETC sites.

It is important to point out that as we consider the plan to be--that we consider this plan to be a living document that may still undergo significant changes in the future as the requirements of DHS agencies become clearer.

#### SELECTED ACHIEVEMENT HIGHLIGHTS

Very briefly, I would like to discuss just a couple of the specific achievements based on the support Congress and the Administration have given us. We have exceeded all of our performance targets. We completed our third year of a financial audit with an unqualified opinion. We have begun partnering with the Office of Personnel Management to provide law enforcement training on the new GOLEARN site. This partnership, initiated on January 20th of 2003, provides the first-responder communities secured, encrypted access to both general and customized law enforcement training. We are very excited about the great opportunities that lie ahead in the field of technology through the use of blended learning, combining the best uses of distance learning and hands-on residential learning.

And finally, I want to note the progress that has been made in the area of accreditation and standardization. This project is fully underway, working in collaboration with Federal agencies, including the FBI, DEA, and the U.S. Postal Inspection Service; private organizations; professional associations; and others to develop a format to accredit training facilities, the instructors, and programs and courses provided by every Federal law enforcement training organization. When this is fully implemented, it may prove to be one of the more far-reaching impacts that we have seen in law enforcement since the establishment of consolidated training itself.

#### CONCLUSION

In closing, let me assure you that we are ready to provide the highest quality law enforcement training at the lowest possible cost. Substantial savings is being realized through the operation of consolidated training sites. We are aware of the important opportunities and challenges that remain ahead. I

want to publicly commend the remarkable people at FLETC and in our partner agencies who have contributed so much to the success of consolidated training. This concludes my prepared statement, and I would be pleased to answer any questions that you might have at this time.

[The statement follows:]

#### Prepared Statement of Connie L. Patrick

Chairman Cochran, Senator Byrd, and distinguished members of the Subcommittee. It is a pleasure to be with you today, and I am pleased to discuss the President's fiscal year 2004 budget request for the Federal Law Enforcement Training Center (FLETC)--its first under the Department of Homeland Security.

#### OPENING REMARKS

This marks the first occasion that I am appearing before the Homeland Security Subcommittee since my appointment as Director of the FLETC in July 2002. I want to extend my appreciation to Secretary Tom Ridge and Under Secretary Asa Hutchinson, who have already demonstrated their enthusiastic and unqualified support for the vital role the FLETC is expected to play in the new Department of Homeland Security (DHS). I also want to acknowledge the generous support the Congress has long extended to the FLETC. I stand ready to work with you and direct the FLETC towards successful completion of the objectives set forth by the Administration and Congress in the protection of our national security and interests.

The two pillars upon which the foundation of the FLETC was formed are quality in training and economy of scale. Neither of these can be achieved without the cooperation of our partner agencies. More than 75 Federal agencies are now participating in the FLETC concept of consolidated training, which means shared training knowledge and experiences, better use of available funds, and law enforcement training uniformity and standardization. During its 33-year history, more than 500,000 agents and officers, across all three branches of government, have graduated from training conducted at FLETC, ranging from individual agency statutory enforcement responsibilities and the more common elements of training required for all agencies, including ethics, firearms use, physical training, and investigative skills and techniques. Furthermore each dollar provided to FLETC goes for the benefit and use of every partner organization.

Mr. Chairman, as we enter a new era in law enforcement operations in the United States, I believe the FLETC is a good example of the new government approach intended by the legislation creating the DHS: a means to harmonize the work of many law enforcement agencies through common training, while at the same time maintaining quality and cost efficiency. In fiscal year 2003, 65 percent of the FLETC's projected training workload will come from nine law enforcement agencies transferred to the new Homeland Security department. In fiscal year 2004, this workload will continue to be above 50 percent of our estimated total Federal training workload. In addition, FLETC maintains robust State, local, and international law enforcement training activities, many of which will help further complement the mission to secure the homeland.

Under the leadership of Secretary Ridge and Under Secretary Hutchinson, FLETC intends to work closely with all segments of DHS.

Placing FLETC within the DHS will help to support the ``unity of command'' and the coordination and efficiency themes sought in the public law that created DHS. FLETC has a long history of service to many of the DHS components--the U.S. Secret Service, the former Customs and Immigration and Naturalization Services including the U.S. Border Patrol (USBP), the Federal Protective Service and more recently, the Transportation Security Administration (TSA).

With the start-up of the Bureaus of Customs and Border Protection and Immigration and Customs Enforcement, FLETC is ready to help facilitate, develop, and implement new training and cross training programs. We recognize that much of this effort and expertise will necessarily come from the agencies involved, but there likely will be significant adjustments made over time to all DHS-related training programs, basic and advanced. Already, an effort is underway to systematically review existing training for these new entities and to address whatever capabilities are needed to meld the duties of the participants. In the meantime, training will continue unabated to achieve all of the hiring expectations of our agencies.

Our experience with the TSA is evidence of our capability to work collaboratively, flexibly and quickly. For example, together our two agencies developed and implemented a new Federal Air Marshal (FAM) training program within days of the September 11, 2001 attacks. FLETC also assisted in the development of the security screeners prototype training and is currently assisting in the prototype of a Federal Flight Deck Officers (FFDO) training program.

#### FISCAL YEAR 2004 BUDGET REQUEST

In his fiscal year 2004 budget, the President submitted a budget request for the FLETC that included an Operating Expenses (OE) appropriation of \$122,379,000 and 754 full-time equivalents (FTE). The request for the Capital Acquisitions (CA) appropriation is for \$23,679,000 and provides funding for all of the cyclical maintenance and upkeep of our permanent sites, including renovation of several older facilities in Glynco, GA.

Together, the OE and CA fiscal year 2004 requests total \$146,058,000. FLETC's overall fiscal year 2004 budget is \$206,058,000 based on an estimated \$60,000,000 in funds to be reimbursed by partner agencies for certain training and related services. As a matter of long established fiscal policy, the FLETC operations are partially covered by agency reimbursements in addition to the appropriation authorized by Congress. Essentially, this has evolved to a point where FLETC funds the mandated entry level training and facility development and operations, while the participating agencies reimburse us for certain training costs and support.

The fiscal year 2004 budget also revises FLETC performance measures to align them with the organization's mission and funding, consistent with the President's Management Agenda for budget and performance integration.

#### OVERVIEW OF OPERATIONS

As part of my fiscal year 2004 budget discussion, I would like to provide the Committee with a brief overview of the operations of the FLETC and the resulting workload.

The FLETC conducts basic and advanced training for the vast majority of the Federal Government's law enforcement officers. We also

provide training for State, local, and international law enforcement officers in specialized areas, and support the training provided by our partner agencies that is specific to their individual mission needs. There are now more than 200 separate training programs offered through the FLETC and its partners. Twenty-three agencies maintain training academy operations at Glynco, GA, three are housed at Artesia, NM and one is located in Cheltenham, MD.

The FLETC provides entry-level training programs in basic law enforcement for police officers and criminal investigators, along with advanced training programs in areas such as marine law enforcement, anti-terrorism, computer forensics, health care fraud, and international banking and money laundering. Training is conducted at Glynco, GA, Artesia, NM, and Charleston, SC facilities.

The Charleston, SC site was established in fiscal year 1996 to accommodate a large increase in the demand for basic training, particularly the former USBP. The training workload increase over a period of years for the former USBP and other former Immigration and Naturalization Service (INS) training categories was the direct result of initiatives to control illegal immigration along the United States' borders. That training is expected to continue to be of substantial importance with respect to the integration of border personnel and functions.

In addition to the training conducted on-site at the FLETC's residential facilities, some advanced training, particularly for State, local, and international law enforcement, is exported to regional sites to make it more convenient and affordable for our customers. The use of export sites for other types of training has proven to be highly successful. In using these sites, most of which are local police academies, the FLETC does not incur any capital expenditure obligations.

#### WORKLOAD

During fiscal year 2002, the FLETC graduated 32,092 students, representing 160,677 student-weeks of training. This total included 22,158 students who were trained at Glynco, GA; 5,952 students trained at Artesia, NM; 959 students trained at the training site in Charleston, SC; and 3,023 students trained in export programs. There were 19,881 basic students; 9,188 advanced students; and 3,023 international students trained, providing for an average resident student population (ARSP) of 3,090.

As a result of the tragic September 11th attacks, our partner agencies' workload projections increased significantly. FLETC is projecting the greatest increase in training requirements in its history. In fiscal year 2003, the FLETC will train 37,848 students representing 205,692 student-weeks of training. This total includes 30,184 students to be trained at Glynco, GA; 3,423 students at Artesia, NM; 1,899 students in Charleston, SC; and 2,342 students in export programs. A total of 22,746 basic students; 12,760 advanced students; and 2,342 international students are projected for a total ARSP of 3,956. Simply stated, this growth is unprecedented.

Over the years, the FLETC has experienced a number of periods of sustained growth in the training requests by its partner agencies, and we have been able to accommodate most of these increases by being innovative in the use of our existing resources. To meet the training needs, the FLETC continues the 6-day workweek at Glynco, GA that was started in January 2002. By implementing this format, FLETC will be



able to accelerate training to get students graduated more quickly and ``on the streets''. Our inclusion of an additional day of training resulting in a 6-day workweek in fiscal year 2002, and into fiscal year 2003, has enabled us to graduate over 2,000 more law enforcement officers and agents than we could have graduated on the normal 5-day workweek. Through the use of a multi-year reemployed annuitant hiring authority granted by the Congress in the Supplemental Appropriations, fiscal year 2002 (Public Law 107-206); careful scheduling of instructors and programs; and other measures, good progress has been maintained in meeting requirements. The fiscal year 2004 budget request includes sufficient funding to provide the level of training being requested by our Partner Agencies.

#### FACILITIES CONSTRUCTION MASTER PLAN

I would also like to brief you on the status of the progress that has been made in expanding the FLETC's facilities. The FLETC initiated a multi-year facilities construction program at the end of the last decade in order to meet the training growth needs of our partner organizations. Following the terrorist incidents of September 11, 2001, FLETC sites have been used nearly to capacity. For future planning purposes, FLETC contracted with a private firm experienced in facilities and site development to conduct a study that includes Artesia, NM; Glynco, GA; and Cheltenham, MD. The study, which should be completed in late spring, is a three-phase plan that places emphasis on eliminating the capacity shortcomings of Center facilities. With respect to facility construction, I also wanted to take a moment to discuss the Washington DC area site and some other accomplishments.

Initial funds were appropriated in fiscal year 2001 for the development of a training site within the Washington, DC area, primarily for short-term requalification training and as a site for in-service U.S. Capitol Police (USCP) training. The site ultimately selected, following an extensive review of available Federal sites, was the former naval communications base in Cheltenham, MD. Since assuming ownership of the Cheltenham, MD property, excellent progress is being made in design and development work. A completely enclosed and environmentally-safe firearms complex is under construction and expected to be completed in the fall of 2003, and construction will begin on a vehicle training complex for non-emergency, obstacle and pursuit driving and related support facilities in the next month or so. Also, consistent with appropriations, FLETC placed the highest priority on completion of an in-service academy operation for the USCP, for which the dedication and opening ceremony was conducted in September 2002. The new building contains classrooms, offices and support capabilities to train 50-100 officers at any one time.

Also, design work already has been completed and construction begun for most of the remaining projects, the majority of which will be completed by late 2003. The District of Columbia Metropolitan Police Department (MPDC) has transferred \$4,000,000 to FLETC to help defray the cost of the firearms range complex. MPDC is one of the principal agencies specifically incorporated into the legislation as a partner organization at Cheltenham, MD. In total, the FLETC projects more than 60 agencies in the Washington, DC area will receive requalification training at Cheltenham, MD when it is opened.

With respect to other construction, I should note that in Artesia, NM the new Administration Building was completed this year. We expect to complete the new dining hall in June. Design has begun on a new

classroom building that was funded in the fiscal year 2003 appropriation. In Glynco, GA, the new Port-of-Entry Building became operational in March 2003. Later this year we plan to complete the renovation or construction of the Indoor Firearms Building, the Administrative Building and the Anti-Terrorism Building. Next year we plan to complete a Firearms Multi-Activity Building and an indoor Firearms range.

#### SELECTED OTHER ACHIEVEMENT HIGHLIGHTS

I would also like to discuss briefly some of the FLETC's other specific achievements based on the past support of Congress and the Administration.

In fiscal year 2002, the Center's overall performance against its most critical performance target, the Student Quality of Training Survey measure, was very good. A total of 99.3 percent of all graduating basic training students expressed satisfactory or higher rating of their training. Also, the FLETC's training costs measurement was below the cost figure established for the variable unit cost per basic student-week of training. The plan projected a weekly cost of \$927, and the actual cost was \$802. The volume of training conducted and the efficient management of facilities scheduling allowed us to realize reductions in costs.

In fiscal year 2002, the FLETC had its third complete audit of its financial records and systems and received another ``unqualified opinion'' for its operations. By changing processes and procedures, the FLETC has been able to meet mandated goals. Systems standardization and integration played major roles in achieving fast-close and data quality end-of-year submissions.

During fiscal year 2002, on behalf of U.S. law enforcement agencies, FLETC assumed the lead for the establishment of a United States International Law Enforcement Academy (ILEA) operation in Gaborone, Botswana, the first of its kind on the African continent. The official opening ceremonies were conducted in March 2003, with the President of Botswana and other African nation dignitaries participating. The academy, like similar sites in Europe and the Far East--under the joint direction of the Departments of State, Justice and now Homeland Security--is providing training to law enforcement officers from nations throughout that region, and is jointly funded by the Government of Botswana and the U.S. Department of State.

The FLETC also has begun partnering with the Office of Personnel Management (OPM) to provide law enforcement training on the new OPM GOLEARN.gov training site. This partnership initiated on January 20, 2003, provides the first responder communities (law enforcement, firefighter, public safety and health, and security personnel) secure, encrypted access to both general and customized law enforcement training. We are excited about the great opportunities that lie ahead in the field of this technology through the use of ``blended learning''--combining the best uses of distance learning and hands-on residential learning.

Finally, I want to note the progress that is being made in the area of accreditation and standardization of Federal law enforcement training based on an fiscal year 2002 appropriation and other authorized funds. This project is fully underway. FLETC is working in collaboration with Federal agencies, including the Federal Bureau of Investigation, the Drug Enforcement Administration, and the U.S. Postal Inspection Service; private organizations; professional associations;

and others, to develop a format to accredit training facilities, instructors, and programs and courses provided by every Federal law enforcement organization. When fully implemented over the next several years, this project may prove to have the most far-reaching impact on the way law enforcement training is conducted at the Federal level since the establishment of consolidated training itself.

#### CLOSING

In closing, let me assure you that FLETC is committed to providing the highest quality law enforcement training at the lowest possible cost. Substantial savings are being realized through the operation of consolidated training sites. We are also aware of the important opportunities and challenges that lay ahead.

The fiscal year 2004 budget request provides the resources to enable the FLETC to manage its responsibilities and continue to serve as a leading Government provider of high-quality law enforcement training to Federal, State, and local law enforcement officers. With the requested funds, the FLETC will provide cost-effective and contemporary law enforcement training, support the specialized training needs of State, local and international agencies, and deliver preventive and investigative law enforcement methodologies and terrorism training. I look forward to continuing to work with you and your support to successfully accomplish these objectives.

I also want to publicly commend the remarkable people at FLETC and in our partner agencies who have contributed so much already to the success of consolidated training. Their talented assistance will continue to be of great benefit.

Mr. Chairman and Members of the Subcommittee, this concludes my prepared statement. I would be happy to answer any questions you may have at this time.

#### COBRA FEES

Senator Cochran. Thank you very much, Ms. Patrick.

Mr. Bonner, I am going to ask each of you a question or two and--because we have several Senators here this morning, I am going to limit my initial round of questioning to 5 minutes and hope that other Senators will limit theirs to that time as well. We will continue to go around as long as Senators have questions to ask.

In connection with the fees that are collected by your bureau, these are authorized by law. There are many different fees, as you know, immigration user fees, agriculture inspection fees. Some were authorized back in 1985 in the Consolidated Omnibus Budget Reconciliation Act (COBRA).

The fees authorized by the COBRA expire as a matter of law at the end of this fiscal year. My question is, do you have a plan in place for making a recommendation to the Congress for new legislation authorizing the continued collection of fees, because well over \$300 million worth of fees are going to be collected under that Act? It seems to me that if you have not started that process you need to start thinking about what you are going to recommend to the Congress in the way of new authority to collect fees.

Mr. Bonner. Yes. Senator, you are absolutely right. A very important part of our funding comes from, and historically has

come from, the so-called COBRA fees. And a large percentage of those are the air passenger user fees. Those have been used historically to fund virtually all of the U.S. Customs overtime, as well as approximately 1,100 to 1,200 actual FTE, in other words, Customs inspection positions.

And those fees sunset, or expire, at the end of this fiscal year. The ideal plan would be that we would get appropriated funding to cover these, but I believe the plan that we are pursuing right now is to ask the Congress and this committee to extend these COBRA fees beyond the end of this fiscal year.

And, in fact, if that does not happen, we will have a gap in the Customs and Border Protection budget of around \$250 million, because that is how much is generated right now primarily through air passenger user fees to support all of our overtime, and these 1,100 to 1,200 FTE.

This is consistent with the Administration's request that when the budget came over the Administration has taken the position that it would be desirable to extend these COBRA fees, including the air passenger user fee.

So that would be our plan. I am very hopeful that there will be an extension for 1 or more years of these user fees, so that we can continue to fund the overtime and inspectional positions that are supported by these user fees.

#### TSA SCREENER REDUCTIONS

Senator Cochran. Admiral Loy, you recently announced that you were going to reduce the number of airport screeners, those who work looking at baggage and performing other security responsibilities at our Nation's airports. A lot of cutbacks are going to be made. I trust savings will be achieved in this effort.

But, in doing that, you have established some categories in terms of size and employments at airports. One of our airports notified me that thinks it has been miscategorized. They have been put in a lower category than they think they ought to be in terms of the number of screeners. Specifically, this is the Biloxi/Gulfport or Gulfport/Biloxi airports depending on which town you are in, that is how you say that--you have got to be careful--on the Mississippi Gulf Coast, and it has been growing pretty rapidly down there in terms of the amount of business it handles. How would they go about appealing that decision, if they believe it is a factual miscalculation, and they are going to end up having to reduce screeners way beyond what they would have if they had been accurately categorized?

Admiral Loy. Mr. Chairman, we are obviously after the truth and the right data to use for this enormously important calculation. We have challenged our Federal security directors responsible for all the 430 airports across our country to work with our airport directors in the aftermath of having received the figures that we provided. And should there be some structural error like you were just describing, we will work with that airport to get the right number.

#### FLETC FACILITIES EXPANSION

Senator Cochran. Ms. Patrick, I heard you talk about the

growth in the capacity that you are going to experience in terms of training Federal law enforcement officials. I assume this is going to require expansion of facilities or upgrading of facilities. Is there, in this budget, funding being requested for that purpose so you can accommodate the new responsibilities of the Center?

Ms. Patrick. There are no capital acquisition items in this budget proposal. However, we are currently conducting a study to determine our capacities, not only at FLETC facilities, but at all of those facilities that are within DHS.

And prior to coming into the Department of Homeland Security, we did not have jurisdiction over those facilities. And now that we are all co-located within DHS, Mr. Hutchinson has asked us to look at capacities to be gained for the benefit of all, at all those facilities, and that study is currently underway.

We believe that we will be able to meet this year's goals and our master plan, 15-year master plan, will be completed this year, and we will have submissions for the fiscal year 2005 budget that will have capital acquisition within it.

Senator Cochran. Thank you very much.

Senator Byrd.

Senator Byrd. Thank you, Mr. Chairman.

Thank you, members of the panel. We have a good audience this morning. Someone said something about looking over their shoulder. There are plenty of people watching you. I think it was Milton who said, ``They also serve who only stand and wait.''

#### U.S. VISIT

Commissioner Bonner, one crucial component of providing for homeland security is ensuring that we, as a Government, know which foreigners are visiting our country, why those foreigners are here, and that those foreigners depart when they are required to do so. Our existing visa tracking systems are not doing the job.

According to your budget justification documents, the illegal alien population has risen to record levels. The undocumented alien population has grown from approximately 3 million in 1990 to an estimated 9 million today. In other words, it has tripled in 10 years.

Your department estimates that approximately 40 percent of those 9 million individuals are aliens who arrived in this country lawfully, but who had subsequently violated the terms of their non-immigrant status. These are the 3.5 million individuals that an effective entry/exit system should track.

The budget before us requests \$480 million for the new entry/exit visa tracking system. This is \$100 million over last year's level of funding. Recently, Secretary Ridge announced a major change in the program proposing to create the U.S. VISIT system and to add biometric identifiers to the mix.

An entry/exit system was originally authorized by the Congress in 1996. A September 1998 deadline to get the system up and running was not met. A March 2001 deadline was not met.

Now, the Department is required to meet a December 2003 deadline, 7 years after an entry/exit system was originally

authorized. Why should this subcommittee--Commissioner Bonner, why should this subcommittee believe that the Department is going to be successful in meeting the deadline for getting this system up and running? It has not done very well thus far.

Mr. Bonner. Well, I would say, Senator Byrd, the Government has not done very well in getting it up and running given the history, but it is a new era. That is number one.

The agency that was responsible for implementing the entry/exit system was the INS. It was part of the Justice Department. I think there is some issue, by the way, historically as to whether and when that was funded. I do not think we need to go into that, but I would say this, it is a new era. There is a new department in government that is now responsible for taking on and implementing the entry/exit system, which I believe Secretary Ridge has renamed U.S. VISIT.

And I know that this is among the highest priorities of the Department of Homeland Security--to implement an entry/exit system that will give us the ability to identify those individuals who have legally entered the country with visas but have either overstayed their visas or are no longer entitled to be in this country. We will have a system that will let us know that they have not exited the country and we will be able, with the appropriate resources, to locate and remove them from our country.

Now, I believe that this is going to be done, because I am very much aware that Secretary Ridge himself and Under Secretary Hutchinson are personally involved and committed to making this happen, and obviously I and everybody else within the Department of Homeland Security will be contributing to that effort to see that it gets done.

It is huge. If I said that this is not an extraordinary challenge to get this done within the timelines that have been set forth by the Congress, I would be less than candid with this committee, because----

Senator Byrd. What----

Mr. Bonner [continuing]. I think it is an enormous challenge. I actually personally----

Senator Byrd. My time is short.

Mr. Bonner. Yes.

Senator Byrd. What time--if you will forgive me?

Mr. Bonner. Yes, sir.

Senator Byrd. What specific steps are you taking to make this happen?

Mr. Bonner. Well, number one, I understand that there has been a program review undertaken by the Department of Homeland Security. I further understand that the ownership, if you will, of this program is going to be vested in the Border and Transportation Security Directorate, and that there is every intention, Senator, of meeting the ambitious timeline, which is by December of this year. We will do everything we can to have an entry/exit system deployed at least to certain of the international airports within the timeline.

Customs and Border Protection is contributing to this, because the entry/exit system ultimately is going to have to be put at international airports, the land borders, every place that people move in and out of this country. And so we are contributing to what the infrastructure issues are, and the

funding requirements. There is also obviously, as you know, an information technology and a biometric part of this.

But it is a task that is being undertaken by the Department of Homeland Security, not just within Customs and Border Protection.

Senator Byrd. You have referred to biometrics, are you working with the Defense Department in this regard?

Mr. Bonner. Senator, I do not know, but I believe the Department of Homeland Security is. As I say, Customs and Border Protection has not been given ownership of this program. Nobody has come to me and said, ``Commissioner Bonner, I want you to make this happen.'' So I am not personally and directly involved in the actual development of the program at this juncture.

Senator Byrd. The reason I ask, the Defense Department has a biometrics program, which the Appropriations Committee has been following and funding. You have referred to----

Mr. Bonner. I will find out for you, Senator, and----

Senator Byrd. Thank you. You have referred to your need for resources, financial resources. The budget requests \$480 million for the entry/exit system. In light of the recently announced biometrics component to the new U.S. VISIT system, will this request be enough?

Mr. Bonner. I do not know the answer to that. I will have to----

Senator Byrd. Is there anyone there who can help you on that question?

Mr. Bonner. Well----

Senator Byrd. Anyone that----

Mr. Bonner. This is something that is going to have to be answered at the departmental level by the responsible program managers, Senator Byrd. I will pass it along and we will see if we cannot get you an answer.

Senator Byrd. Well, we will hope for that.

#### FISCAL YEAR 2004 BUDGET REQUEST

One crucial component of providing for homeland security is that you be provided with the--with adequate funding resources, and at our hearing with Under Secretary Hutchinson last week, I asked him how much he had requested of the OMB for his agencies for the coming fiscal year. He said that he did not have that information in front of him, and when I asked if he would provide the information to the committee I believe he fuzzed up the response a little bit.

I understand the requirement that agency heads must support the President's budget request as submitted, but agency heads must also be responsive to the Congress, the elected representatives of the people. The military branches are not at all shy about providing information to the Congress on their original requests for funding. And this causes me to wonder why other agencies are more reluctant than the military.

I believe that the budget request for most of the Department of Homeland Security agencies are insufficient. It would be valuable for the committee to know what the agencies that are actually defending the homeland think their budget requirements are, not just the final opinion of the budget

personnel at the Office of Management and Budget.

Commissioner Bonner, how much did you request in the way of funding in your fiscal year 2004 budget submission to the Office of Management and Budget?

Mr. Bonner. Senator Byrd, first of all, just by way of process, this is an incredibly unusual year in one sense, because we are merging with Customs all of these other elements, the Border Patrol, all of the immigration inspection program, and so forth.

I have absolutely no idea what was requested for Border Patrol or the Immigration Inspection. I had no part in how that was developed. When that budget was developed, INS was part of the Justice Department, and it went to the Attorney General. Something went forward from the AG to OMB.

I obviously played a part in developing the U.S. Customs budget request, and processing that up through the Treasury Department.

I can tell you that there was, of course, an unusual process this year in the sense that the Treasury Department looked at our budget, and I guess it is fair to say, they punted. They did not know what to do with it and so forth.

I can tell you that I believe as a result of then Governor Ridge's capacity in the Office of Homeland Security, we did get a substantial initiative funding ultimately through OMB.

As I sit here, I do not know exactly what our request was. I am very aware of the question you put to Under Secretary Hutchinson, and I do not want to give you, Senator, a fuzzy answer.

At this point I think that prudence would dictate that if you are interested, and I think you are interested, in what request ultimately went to OMB with respect to, let us say, the Customs side of this budget, that is something I just have to tell you, I would need to consult with the Department leadership as to what position they are going to take with the request that you made of Under Secretary Hutchinson.

And I do not know precisely what that position is, but I am just a mere Commissioner of the Customs and Border Protection, and I have a chain of command, which is I report to Asa Hutchinson as the Under Secretary, and he reports to Secretary Ridge.

So I do not want to fuzz an answer here. I am just going to say that I will look into that question. I understand the request the Senator is making. If there is a way that we can affirmatively respond to that request, I will make every effort to see that we do that.

Senator Byrd. Well, if you can, do that. The people have the right to know and the elected representatives of the people on this committee have a right to know. But we also need to know in order to adequately meet your funding needs. And you referred to the need for having adequate resources in your statement. And it would be very helpful to the committee--as a matter of fact having been on this committee now 45 years--I am in my 45th year on the Appropriations Committee, that is a rather, in a way, stunning response to a very legitimate question.

Will you provide this subcommittee with that information for the record?



Mr. Bonner. I will, if after discussions with the Department, it is okayed.

Senator Byrd. You mean--are you meaning to say to me if it is okay that this committee has that information?

Mr. Bonner. I----

Senator Byrd. The reason we--the reason it helps the committee is because we really know then what you perceived as being the needs, the funding needs in order to meet your goal and carry out your responsibility. We really get a better insight if we have that information.

Mr. Bonner. Senator, I know exactly what you are saying. I have been around, actually have testified before the Appropriations Committee and subcommittees, and I understand the important work that this committee has and must do, so I understand that. But you did put the request to Under Secretary Hutchinson, and I know that that is being looked at in terms of whether the Border and Transportation Security Directorate and the component agencies under the Border and Transportation Security Directorate can provide the information. The request essentially went to OMB.

Senator, with all due respect to you, sir, and to this committee, I will make it very clear the importance that you attribute to this and, frankly, the importance for the committee itself, the subcommittee, in terms of its evaluation of the budget request to have this information. I will get an answer back to you, but it will have to be after consultations with the higher-ups in the Department of Homeland Security.

Senator Byrd. Would you accept----

Senator Cochran. Senator, your time has expired.

Senator Byrd. Yes. I just have a P.S. here. Would you accept a slight modification to your own statement, ``and the importance to the Department''?

Mr. Bonner. I will accept that as well.

Senator Byrd. I thank the Commissioner.

Senator Cochran. Thank you, Senator.

Senator Domenici.

Senator Domenici. Thank you very much, Mr. Chairman.

Well, let me stay with you, Mr. Bonner, for a little bit.

#### U.S. BORDER INFRASTRUCTURE AND TECHNOLOGY REQUIREMENTS

You heard me in my opening remarks talk about the borders of the United States between Mexico and Canada. I happen to know something about it because one of my early appropriations assignments, about 12 or 14 years ago, happened to be the subcommittee that had the border. That was the only time in the past 40 or 50 years that we did anything of a comprehensive nature in an effort to repair and modernize some of the border facilities.

So I have a very serious interest in the condition of the border crossings and the equipment on the borders with Mexico and Canada--I know more about Mexico than Canada. I have introduced a bill, on which I think we will have a hearing soon.

That says one of the shortcomings is that we do not have a master plan for how we go about bringing these border crossings current, which ones need to be reformed, remodeled, torn down,

rebuilt, added to, et cetera, and in which order. We do not have any plan for what new technology there is and how we can implement the use of the new technology at our border crossings.

I say to you there is nothing more important with reference to the control of our borders, both for trade and contraband and illicit crossings than that these borders be made modern. Do you agree with that?

Mr. Bonner. I do. I am also familiar with a good many of the ports of entry, both on the northern and southern border, and we have some serious modernization we have to do, and infrastructure improvements to do that would permit better security with technology, and at the same time be able to better facilitate the movement of legitimate trade and people across----

Senator Domenici. Sir, I believe that border crossings between Mexico and the United States in particular require a little bit of vision, require that somebody begin to think about the future.

I can imagine a day when there would be a common border crossing manned by Mexicans and Americans, and that we would not go through two crossings, and that the technology be modern for both sides. I can imagine a couple of border crossings that would be built as now, within the next 18 months, as ultra-modern crossings with every modern type of technology available, sort of as a model to look at, to see what can be done for our borders to bring them into a better state of repair. This is not because we want them to look good or because I am a high-tech buff, but rather they will do a much better job.

Could you talk to that and could you assure the committee that you are going to look into modernization of these ports of entry and implementation of modern technology at the crossings?

Mr. Bonner. I will assure you right now that that is something that we are looking at, we will continue need to look at, and I would like to work with this committee and you, Senator, with respect to how that might best be done, where the priority areas are, and how we construct the infrastructure so that we are efficiently using the existing technology we have, detection technology and the like, radiation detection technology, and so on, in the best possible way.

I think this is a very important issue. It is something that I have been discussing with Secretary Ridge over the last 18 months or so. I have had discussions with the Canadians and the Mexican Government about how we might work better together.

Senator Domenici. Yes.

Mr. Bonner. Right now, we have maybe four or five very small ports of entry that are shared with the Canadians.

Senator Domenici. Yes.

Mr. Bonner. So it is not as if it has never been done. It can be done. We need to look at doing more of that.

Senator Domenici. I wonder if you would take a look at Senate Bill 539 and tell the committee what you think about it in terms of whether it might help meet the needs that you are identifying together for the border.

Mr. Bonner. Right. Is this the bill that you have recently----

Senator Domenici. Yes, that I have alluded to.

Mr. Bonner. Right. And as I think you may know, Senator, the Congressional Affairs Office has been working with members of your staff on that legislation. I have not studied it in depth yet.

Senator Domenici. Yes, I understand.

Mr. Bonner [continuing]. To be familiar with----

Senator Domenici. I do not need a lot of explanation on it. I would just like you to take a look at it, and through your good office comment for the record on what parts of it you think you need, and whether it should be implemented.

Mr. Bonner. I would be happy to do that. With your permission, Senator, is that something I can do and submit something for the record?

Senator Domenici. Absolutely----

Mr. Bonner. All right.

Senator Domenici [continuing]. In due course. Is that correct, Mr. Chairman?

Senator Cochran. We would appreciate the fact that you would do that. We will make that a part of the record.

Mr. Bonner. All right. Thank you.

[The information follows:]

S. 539

As requested, the Bureau of Customs and Border Protection (BCBP) has reviewed S. 539, the Border Infrastructure and Technology Modernization Act. The bill responds to the infrastructure issues facing many ports of entry. It would dramatically further address the requirements identified in the Ports of Entry Infrastructure Assessment Study completed by the U.S. Customs Service in consultation with GSA and other Federal Inspection Service agencies in June 2000. The agency appreciates the support of Senator Domenici and his cosponsors.

#### ``FIRST USE'' ASSURANCE FOR FLETC-OWNED FACILITIES

Senator Domenici. I will quickly go to my next question. It has to do with FLETC.

Ms. Patrick, there are some people that know that this Senator has a genuine and longstanding interest in FLETC.

That is why, Senator Byrd, quite by accident when I was a brand-new Senator, I attached a rider to a public works bill where FLETC was going to be built brand-new somewhere here in Maryland. I put a little rider on the bill and said, ``Do not build it for a year and look around the country and see if we happen to have a place we already own.''

And guess what? In the 10 month of that study, they found this Navy base, which is where it is now, this giant facility in Georgia. It was found that way.

And so since that time, I have had an interest in FLETC, and a piece of it is now in New Mexico at Artesia. It is growing. What I would like to know from you, ma'am, on the record, I would like your assurance that as you look at training needs that you will, in fact, use FLETC's facilities first for the required training that FLETC is expected to do under the law. Secondly, that people will not be sent to other kinds of training centers and facilities in preference to a FLETC-owned facility, if there is facility available for such training. Can we have that assurance?

Ms. Patrick. You can.

Senator Domenici. I believe you are already aware of that problem as it exists, as I have expressed it to you, in my office, are you not?

Ms. Patrick. I am.

Senator Domenici. Sometimes agencies want to move trainees off to some other place closer to a home or where they would like to be, miles away from where the training, original training is, and you are going to look at whether or not that is a practical thing for FLETC in the future, is that correct?

Ms. Patrick. Yes, I am.

#### UNMANNED AERIAL VEHICLES

Senator Domenici. My last question has to do with the use of unmanned vehicles on the border. Who is the expert on that? Does that belong to you too, Mr. Bonner?

Mr. Bonner. I may not be the expert on it----

Senator Domenici. Yes.

Mr. Bonner [continuing]. But it really belongs to me.

Senator Domenici. Could you tell me if there is a plan being developed as to where we will use and what we will do with unmanned vehicles in an effort to assist us with ascertaining what is going on our borders?

Mr. Bonner. Now, by unmanned vehicles, you mean the drone aircraft and that sort of thing----

Senator Domenici. Yes.

Mr. Bonner [continuing]. That have been used so successfully by our military----

Senator Domenici. Yes.

Mr. Bonner [continuing]. And--overseas?

I know there is a lot of interest in this, and I do not mean to be unresponsive. I have asked for a briefing myself----

Senator Domenici. All right.

Mr. Bonner [continuing]. As to how unmanned vehicles or drones could be helpful. I think there is some potential there, but I want to make sure that it makes sense. There is potential in the sense that we have, as you know, on our southwest border with Mexico, we have a huge problem that remains, and that is that we do not totally control the borders of our country.

Senator Domenici. Right.

Mr. Bonner. And we have huge amounts, significant amounts of both illegal aliens and illegal drugs flowing across that border through the ports of entry and between the ports of entry. We do not have in my judgment a sufficient surveillance air capability in the Border Patrol at this juncture for that. So it sounds like something that might be very, very helpful, but I need to understand how it would work and how it would work in conjunction with, let us say, cueing the Border Patrol, Border Patrol agents to the situation and----

Senator Domenici. Sir, would you take a look at it and, for the record, give us your best judgment of whether UAVs are going to be used, and how they might work, so we will have an understanding?

Mr. Bonner. Happy to do that, sir.

[The information follows:]

## Unmanned Aerial Vehicles (UAVs)

The Border and Transportation Security Directorate has asked the Science and Technology Directorate to evaluate the use of UAVs in a Border and Transportation Security environment. S&T was also asked to evaluate other potential applications.

Until the requirements have been scoped to determine the feasibility and extent of a UAV program, we cannot predict either what amount of funding or type of facilities might be appropriate for the Department to implement a UAV program.

At this time, it is unknown what the timeline would be for the Department to implement this type of initiative. A proposed project plan including milestones and deliverables is expected to be ready for review by early summer, 2003. The project plan will discuss a BTS-specific project as well as strategies in developing UAV initiatives in the near, mid, and long term for DHS venues such as borders and ports.

After UAV program feasibility, requirements and scope are determined, a more detailed assessment on available testing and deployment facilities would need to be made.

Senator Domenici. Thank you very much.

Thank you, Mr. Chairman.

Senator Cochran. Thank you, Senator Domenici.

Senator Murray.

## 24-HOUR MANIFEST RULE

Senator Murray. Thank you very much, Mr. Chairman.

Commissioner Bonner, let me begin by just thanking you for all of your efforts on the 24-hour manifest rule for U.S.-bound container cargo. You and I discussed this in my office, and I shared with you my concerns that the economic implications and the security implications as cargo is being diverted to Vancouver--and I know you have worked hard with the Canadians and I understand that they have agreed to implement a similar rule, and I really applaud that decision.

But I have to tell you I have real concerns that Canada is going to continue to use the time before implementing a rule to divert cargo and business from U.S. ports in the Pacific Northwest. This is really an important issue to us in Seattle and Tacoma, and I wondered if you could give me an update on your discussions with the Canadians on this issue, and specifically any information about when Canada will finally implement its 24-hour rule?

Mr. Bonner. Right. Let me bring you up to date on that. First of all, the good news is that the Canadian Government--and this was the Canadian Customs and Revenue Agency that was very much involved in this--has decided to adopt essentially the identical 24-hour rule, and to move quickly to do that. They need to get some regulations out just like we would for comment and the like.

But I will continue, as I did at the shared border accord meeting with our Canadian counterparts in Halifax, Canada, just about 3 weeks ago, to prod them to move more quickly in terms of getting those regulations out and implemented.

I am very concerned about the issue that we discussed with respect to the potential diversion of container traffic from

any U.S. sea port including the port of Seattle-Tacoma and so forth to Vancouver. I think you have seen some public statements I have made, and that is to say that if we believe that any shipping line is attempting to evade the U.S. 24-hour rule by diverting containers to, let us say, a Canadian port or any other port, we are going to increase our inspectional efforts with respect to those containers in two ways.

One, we have U.S. Customs and Border Protection personnel right now at Vancouver, at the Canadian port, and so we will be increasing and asking the Canadians to work with us to increase the rate of inspections for anything that appears to be diverted, because by definition, it is a higher risk container if somebody is trying to evade our advance manifest reporting requirements.

And secondly, we have a chance to examine it again when it reaches the U.S. border, either on a truck or by rail.

So I made it very clear, if we see evidence of that--and I would be happy to have further discussions with you on this, if we see evidence of that, we are going to take some action, and I have talked to, as you know, the head of the port authority there in Seattle, and I will continue to monitor that situation.

The best answer, though, is the Canadians adopt and implement their regulation that is identical to ours so there is no advantage by virtue of the advanced manifest information requirement by shipping cargo containers destined for the United States to Vancouver or to Halifax.

Senator Murray. Thank you. I really appreciate that and appreciate your staying on top of it, because it is both an economic concern, but it is also a security concern. And we want to make sure that they do not just say they are implementing the rule and it takes forever, and we have cargo coming in and moving to the United States in other ports. So I really appreciate your answer to that question.

#### CONTAINER SECURITY

Admiral Loy, I wanted to talk to you about container security. TSA received \$28 million for Operation Safe Commerce back in 2002, and another \$30 million for that in 2003. So far, not a penny of that money has been spent.

This is an initiative that I authored to enable TSA to ensure the security of the 6 million containers that come into our ports every year by monitoring their movement from the time they are loaded to the time that they are unloaded.

Now, TSA promised me that the 2002 funds for this initiative would be spent by February of this year. It was not done. Now, they are telling me it is going to be spent by June. I asked Secretary Ridge about this last week, and he promised to get back to me, but I have not heard from him yet on this. So can you explain to this subcommittee why TSA has not moved forward on Operation Safe Commerce that has now been funded in two separate fiscal years to address terrorist threats to global container traffic?

Admiral Loy. Yes, ma'am. I will. You are absolutely right. The \$28 million was a 2002 appropriation. For 2003 there was an amount of \$30 million, and for 2004, we are asking for another

couple of million dollars to sort of tidy up the program.

As you know, we have made a broadcast announcement with respect to applications from the three major load centers that are associated with Safe Commerce. You and I had spoken about the notion of port of origin to point of destination in transit, supply chain transparency for the obvious value that that represents. And we have worked with the Coast Guard, with Customs, now BCBP, on a variety of these challenges associated with Safe Commerce.

At the moment, there are implications in the spending plan that we will get to the Congress, I would hope, within days associated with Safe Commerce.

I can say that the application package that solicited from the three major load ports almost a billion dollars' worth of applications for how best to use those funds are in hand, are being evaluated, and are staged for. As soon as that spending plan is blessed, they will go out the door, such that the appropriated dollars, and not only for the \$30 million that we have in 2003. We want to make sure those dollars potentially can become appropriated against that same application package.

Senator Murray. So can you assure me that all \$58 million will be spent on this, and that it will not be diverted to some other program under TSA?

Admiral Loy. I cannot assure you of that, as we speak here this morning, Senator Murray. I think the potential for fixing, as Senator Byrd was inferring, the structural shortfall in the TSA budget for 2003 offers us unfortunately the challenge of looking for funds in places that have the potential for reprogramming or have the potential for being found.

Senator Murray. Well, I just have to say that is really disconcerting. We appropriated those funds properly through Congress, specifically for Operation Safe Commerce. The three ports that are involved, Seattle-Tacoma, Los Angeles, New York, have been working diligently now for almost 2 years to put together their requests. And we now have 6 million containers coming into this country that we do not know--and we have not tracked them, we do not know what is in them. This is a vital issue for all of us who have States that are close to these.

It should be a vital interest for every State in this country because of the economic impact. I do not want to see any of that money diverted. This is what Congress said it was to be spent for.

Admiral Loy. I understand.

Senator Murray. Well, we will continue to follow that throughout the process.

In fact, Commissioner Bonner, if you could respond. You are a member of the steering committee to implement Operation Safe Commerce. Can you tell me why, from your point of view, none of this funding has been spent yet?

Mr. Bonner. I know that we are co-chairing with TSA and reviewing the applications for the funding that has been made available. And I understand that decisions with respect to funding are fairly close.

I do not know whether it is the \$28 million or the \$30 million. I think it is the first \$28 million, but I could be mistaken.

This is very, very important, as you know, and I know

Admiral Loy agrees, that we test out smarter containers, more secure containers that are moving from foreign ports to the United States. And that is what this funding is going to do.

I do not know that I can speak to the delay per se other than I know that there has been a process of getting applications from the various ports and the various parties in interest here, and making some decisions with respect to which proposals make the most sense in terms of giving us, potentially, at the end of the day something that would be useful to us for purposes of securing containers.

Senator Murray. Well, let me just say that the ports all have their requests in, and if the delay is so that we can divert funds, that is not acceptable. We need to get this money out there.

And, Admiral Loy, you said in your opening statement that you care about security in all modes of transportation. If we cut container security initiatives, we are not paying attention to all modes of transportation. So this is something that I am going to continue to follow and I want to have follow up conversations with you on this.

I want to make sure this money goes to container security. We have ports in this Nation that are extremely vulnerable right now with all of these containers coming and we do not know what is in them. And I just simply think we cannot ignore this, and we cannot divert the funds that are supposed to go for that important initiative. So I will continue to have this discussion with you.

Mr. Bonner. We do have information, Senator, in terms of what is in containers and that sort of thing. We have required that by regulation now, before those containers are even loaded on the foreign ports.

So we do have information about what is in there. We are evaluating that information. We are making risk management decisions as to which containers pose a high risk for security, and need to be screened. And under CSI we are now doing targeting and screening at foreign ports in Singapore and so forth.

Senator Murray. I understand that. But there is a difference between doing that at the port and doing it, tracking that container, knowing where it is and where it comes in. And not just at the port. In the Port of Seattle, it is loaded onto a truck or a train and it ends up being unloaded in Chicago or somewhere else. So knowing what is in that container and keeping track of that container is an important initiative in terms of security.

Admiral Loy. Across the entire supply chain, as you describe.

Senator Murray. That is correct.

#### EXPLOSIVE DETECTION SYSTEMS

Admiral Loy, I am also very concerned with the delays in funding, the extraordinary costs of installing the explosive detection systems, EDS systems, at the new south terminal expansion at SeaTac Airport in my State. Over the last couple of years, I have worked to provide your agency almost \$500 million more for those airport modifications than your



Administration requested of Congress. Both the 2002 supplemental appropriations and the 2003 omnibus specifically cited the needs of the projects at SeaTac. And just a few days ago, you announced, I believe, your attention to sign letters of intent to fund these airport projects and said that Seattle would be one of them.

But it is my understanding these letters have not been signed. Can you tell me when you expect to finally sign a letter of intent with the SeaTac Airport on that?

Admiral Loy. Senator Murray, I hope we are able to do that within a week or two. Our whole capacity to fund what this organization is responsible for is bound up in this spending plan challenge that we have had for 2003. You know how difficult that has been from the very beginning. In the aftermath of the original request, which of course developed 4 or 5 months' worth of CR challenges for those of us who had to live within that, including in the TSA's part that the first quarter, which was enormously capital intensive for us, because that is when we had hoped to purchase all the rest of the EDS equipment and pay an enormous amount of contractor support in the first quarter of fiscal year 2003.

Living under the CR, there was an enormously difficult financial challenge for us. When it led to the omnibus bill, where the Congress then chose to allocate within the President's request over \$1 billion worth of allocations, that has prompted this structural shortfall in terms of very important things the Congress wants to do, very important things the Administration wants to do, and literally trying to get \$6 billion worth of work in a \$5 billion kind of a framework.

The war supplemental offered the Congress an opportunity to fix about half of that problem, which they did. And over these last weeks, we have been working diligently with DHS and OMB to fund the rest of that structural challenge.

The LOI instrument that has now been blessed by the Office of Management and Budget, as well as the Congress, offers us a chance to break through with respect to these EDS installations and literally leverage \$1 billion or more worth of private sector monies to do these security projects and then reimburse those airports over multiple budget cycles to come. I believe that is the right way to do this work. And we have those literally poised negotiated settlements with a number of the airport directors, including SeaTac, ready to go as soon as the spending plan is approved by the Hill.

Senator Murray. Okay. I appreciate that. And just one other question. Is your letter--will your letter of intent commit some 2003 funds to this project, or are you going to be requiring SeaTac to do a future?

Admiral Loy. I will have to call you on the specifics in the SeaTac piece. There are a number of these negotiated settlements with the airport directors where they preferred to gain the letter of intent but with the zero funding line for 2003 to be then paid over 2004, 2005, 2006, as appropriate. I will call you with the specifics of the SeaTac LOI.

Senator Murray. Thank you.

I know my time is up, Mr. Chairman. I would remind all of us that the President vetoed \$480 million for this agency in the last request. And I am deeply concerned that we do not have the funds available today for many of these projects. And just on Operation Safe Commerce, let me just go back to that.

If you are delaying the release of this money simply so that you can divert it to other causes, that is unacceptable. These ports have been working diligently to do this. It is extremely important that we get this done. And I will follow up on this with you later.

Admiral Loy. I look forward to that follow-up, Senator Murray. And we are not delaying it for the sake of diverting the money. The challenge associated with this organization is to have the legitimate spending plan for the rest of the year. Where that involves DHS authorities and the use of them and where that involves the potential for reprogramming is to be notified to the Congress very shortly. That is the package that is keeping us from pressing on.

We are staged to press on with all of this work as soon as this spend plan comes clear.

Senator Murray. Thank you, Mr. Chairman.

Senator Cochran. Thank you, Senator Murray.

#### FEDERAL FLIGHT DECK OFFICER TRAINING

Admiral Loy, the Homeland Security Act authorized the use of firearms by pilots to defend their aircraft against hijacking or other criminal activity that was life threatening. The Transportation Security Administration has recently completed the training of 44 pilots, who have been sworn in as Federal flight deck officers. We notice your budget request suggests that over \$17 million for this training should be approved for the next fiscal year. It is a substantial increase over current-year funding.

Let me ask you the question of whether or not TSA is going to continue to do this training. Do you intend to contract it out to private sector training centers or to use the Federal Law Enforcement Training Center for some or all of this training?

Admiral Loy. Senator Cochran, as you know, the 44-student prototype was conducted at FLETC in Glynco, and tremendous support came from the facility manager and all the folks that were part of the training there. My intention is to certainly press forward with FLETC-based training for the FFDO program.

There are, for example, however, midyear recertification requirements that do not necessarily, I believe, call for a trip to Glynco, Georgia, to get that work particularly done. So we are very much a part of the plan that Ms. Patrick was describing to you in terms of a 5-year game plan for how to optimize the use of FLETC not only in Glynco, but in Artesia, as well.

I have encouraged a number of private sector training site owners to work with FLETC to get under the wing of what FLETC's wide reach might be to find the right place to do this training on down the road. But the basic original training we would like very much to continue to do within the FLETC organization, sir.

Senator Cochran. Ms. Patrick, what is your assessment of the training program and the capacity of your center to carry out this responsibility?

Ms. Patrick. The pilot program that was just conducted there, I believe that it is currently under review and that they are evaluating the program as we speak, in terms of making any modifications to the program that would enhance the skills of the pilots. So I think that they, the TSA, is doing the current review consistent with our methodologies and the way in which we conduct training.

And the most important part of that training program is actually the review and the after action that follows any training course that we give. So I think that they are doing a very good job of that.

In terms of conducting the training and the training needs, we do intend to accommodate their training requests. However, as Admiral Loy mentioned, as is true with all of the agencies that we train, every year they are required, especially in the area of firearms, to receive recertification training. And we will and continue to use export training sites located around the United States that our National Center uses to accommodate that training. And in those instances, we do contract for trainers to provide those services when there are no available FLETC resources to do that.

#### AIR CARGO SECURITY

Senate Cochran. The Senate last week passed a bill called the Air Cargo Security Improvement Act. It would put into place several enhancements for security of cargo transported by air, particularly aboard passenger aircraft. The Transportation Security Administration is requesting \$10 million for the research and development of an air cargo pilot program in this next budget year.

The Act allows for pilots and crew members of air cargo aircraft to carry firearms, such as the way passenger aircraft pilots are permitted to operate now. There will also be funding needed to train Federal flight deck officers with the possibility of an additional 15,000 air cargo pilots being authorized. Do you feel that the Transportation Security Administration can carry out this responsibility with this amount of funding?

Admiral Loy. We do, Mr. Chairman. The challenge, of course, is to attempt to project the number of volunteers from the greater pool of pilots, both commercial pilots for passenger aircraft, as well as the added number of air cargo pilots that will actually want to become Federal flight deck officers. We do not really have a very good feel for that. I have seen estimates that range from as low as 18 or 20 percent of the total population, which is pushing 80,000, as you know, to as many as half.

We will just have to see how the volunteers step forward for the program. As it relates to the cargo pilots being included in the pool, I think TSA is basically silent on that question. If, in fact, that is the Congress's desire, that you add the pilots from air cargo to the pool, so be it.

I have a couple of challenges with the bill, our thoughts

with the bill, as it went down. And I look forward to working with the Committee as that continues on its way. For example, allowing any trained individual to be sitting in the jump seat and travel armed, whether or not it is an employee of that particular airline that is flying that plane. There are a couple of subtle things like that that are part of the bill, as I see it today, sir, that I would like to continue the dialogue with the committee on.

Senator Cochran. I am sure others would join me in welcoming your input and observations on that. We would be glad to have the benefit of your suggestions.

#### AIR AND MARINE ASSETS

Mr. Bonner, the Bureau that you are now in charge of has brought together a wide variety of physical assets, like planes, boats, and helicopters, that may now be the subject of new management efficiencies. Do you have plans for streamlining the procurement or maintenance of these physical assets so that we derive some efficiencies and can also make our funds go further because of this consolidation of activity?

Mr. Bonner. Well, let me say first of all that it is true that Customs and Border Protection, by virtue of having the Border Patrol, actually has a significant number of air assets. I think it is 100-plus, mainly helicopters, also some marine or small boat craft. On the other hand, as part of the reorganization, the U.S. Customs Air and Marine Interdiction Division, which also had aircraft and helicopters and some boats, it moved over to BICE. So to the extent there is---

Senator Cochran. For those of us that cannot remember all the acronyms in this town, what is BICE?

Mr. Bonner. BICE would be the bureau that is not here today. That is the Bureau of Immigration and Customs Enforcement. About 15 percent of the old U.S. Customs that represented the special agents, the criminal investigators, and the Air and Marine Interdiction Division that did air and marine interdiction, at or near our borders, went to BICE.

So the upshot is that I have some air and marine assets still, from the Border Patrol, but I no longer have those formerly in U.S. Customs. I think there can be tremendous efficiencies here, both with respect to procurement and maintenance and, frankly, mission, that we ought to achieve.

But it is going to be something that we have to figure out how to do at a higher level than Customs and Border Protection, because I do not control all of these assets or the budget for them. It is going to have to be done at the Border and Transportation Security level. We must figure out, one, how do we make the most efficient use of these assets to perform the border and the interdiction mission? And secondly, how do we do this in way that also achieves some economies and efficiencies with respect to procurement of aircraft, as well as maintenance and other issues?

So we will be working on that issue. It is just a little bit more complex because it involves more than just Customs and Border Protection.

Senator Cochran. Thank you very much.

Senator Byrd.

Senator Byrd. Well, again, thank you, Mr. Chairman.

#### FISCAL YEAR 2003 SPENDING PLAN

Admiral Loy, the Transportation and Security Administration advised Congress that we would be provided with a spending plan for how you intend to obligate the funds appropriated to your agency for this fiscal year. We are now in the 8 month of this fiscal year. We have yet to be provided with such a spending plan. We are told that your agency faces a significant funding shortfall, perhaps as much as \$1 billion. We have not received a supplemental request from the President to cover that shortfall or to meet it.

The administration opposed Congress's efforts to, or at least our efforts, to add funding to the recent supplemental to close the operating deficit. Do you believe that you can live within your current budget? And if so, what steps are you taking to do so?

Admiral Loy. Thank you, Senator Byrd. As I described just a moment ago, answering Senator Murray's question, I believe, Senator, that we are in this classic challenge of trying to understand the job description on one hand and the budget envelope on the other that will facilitate that work to be done.

This is a brand new agency, which was set out to accomplish, first of all, the enormous set of mandates that the Congress provided immediately in the wake of the 9/11 tragedy. And here we are, essentially a year-and-a-half later, grappling with, I will call it, the sticker shock associated with what it takes to get the work done that the Congress has stipulated in the original legislation, which founded the organization.

Senator Byrd. This is about as I predicted.

Admiral Loy. I am sorry, sir?

Senator Byrd. This is about as I predicted----

Admiral Loy. Yes, sir. As a matter of fact, it is.

Senator Byrd [continuing]. When we had this legislation before the Senate.

Admiral Loy. Yes, sir, as is clearly the case. So we have gone over the course of time here literally with spending plans being briefed to the committees, the appropriating committees, over the course of the last year, a different committee, to be sure. But we brought forward a spending plan in September. We brought forward a new spending plan in December.

Then we got on into the omnibus bill and the war supplemental that followed, all of which was a struggle between not only the agency trying to do the right thing, the Congress and the Administration also trying to do the right thing, and sorting the job description and the budget envelope necessary to do this work by this organization.

As you just described it, as we walked away from the omnibus bill, we were in about a \$1 billion hole. As we approached the war supplemental, the Congress was able to identify about half of that differential and make that significant assistance available in the war supplemental.

These past weeks, I have been working day in and day out with both the Department of Homeland Security and the Office of Management and Budget to accept that war supplemental

differential and then find in DHS authorities or reprogrammings, as appropriate, the wherewithal to close this spending gap for this organization for fiscal year 2003. That package is literally on the doorstep. I provided that to DHS and OMB a couple of weeks ago. And I believe it is literally about to be walked to the Congress almost as we speak, sir. That will define what we will try to do for the rest of fiscal year 2003.

Senator Byrd. What was the reception at OMB?

Admiral Loy. The reception at OMB was to recognize the authorities that the new Department of Homeland Security had in terms of finding monies within the structural authority that the new Secretary owns and to offer the notification back to the Congress of the intended reprogrammings necessary to make the agency whole for fiscal year 2003.

#### TSA SCREENER WORKFORCE REDUCTION

Senator Byrd. On April 30, TSA announced a plan to eliminate 6,000 airport baggage screener positions. TSA took the action to bring total baggage screening staffing down closer to the limits in the fiscal year 2003 omnibus appropriations act and the 48,000-person level required in the President's fiscal year 2004 budget. As of March 31, TSA had 55,600 screeners at the Nation's 427 commercial airports.

Your plan would reduce staffing by 3,000 persons by the end of this month and an additional 3,000 by the end of the fiscal year. However, this action is expected to save approximately, is that \$3 billion? How much is it that you expect to save?

Admiral Loy. The annualized rate of those savings would be about \$280 million next year, sir. But that is already internalized in the President's request.

Senator Byrd. This is narrowing the nearly \$1 billion funding gap, is it not?

Admiral Loy. Yes, sir.

Senator Byrd. I say hardly narrowing. Is that correct?

Admiral Loy. That is correct, sir.

Senator Byrd. TSA should provide Congress with a complete plan for closing the gap. On April 30, as I say, this plan was announced. This reduction of 6,000 positions by the end of the fiscal year is approximately 12.6 percent of the total screener workforce. Clearly, you must take difficult steps to get your agency's budget under control. And I would not want to try to second guess you, but I am concerned that screener reductions at some airports might be too steep.

Of the Nation's 427 commercial airports, 12 airports are losing over 50 percent, more than half of their screeners, while 151 airports are actually gaining screeners. I am specifically concerned about the proposed reductions at Charleston, West Virginia's Yeager Airport, which is scheduled to experience a 54 percent reduction in baggage screeners. Your plan would reduce the number of screeners from 63 screeners to 29, a 54 percent reduction.

This is far in excess of the national average reduction of 12.6 percent. And the Yeager Airport has not experienced a sharp reduction in the number of passengers using the airport. Your decision, as it relates to the Yeager Airport and the 11

other airports just does not make sense. And I speak with, I think, considerable knowledge with reference to the Yeager Airport.

Please explain why 12 airports would lose over 54 percent of their screeners and, in particular, why Yeager Airport is being cut by 54 percent.

Admiral Loy. I will have to get back to you and will, Senator Byrd, on the specifics of the one airport you asked me about. Let me describe, though, that in a number of cases across the country we found that we were just an awful lot smarter 7 or 8 months later than we were when we originally put allocations at these respective airports. There were a number of places where they were simply over-hired by mistake by the contractor that we had doing that work for us in the turmoil of the first year of this organization's existence.

Our challenge needs to be to focus on positions necessary to conduct the business at the airport, not the body count that might happen to be there at the moment. So in many instances--I do not know whether Yeager is among them, sir--we have found that there were hirings well in excess of the required work to be accomplished at the airport and are acting accordingly.

This is not just a budget-induced adjustment. I believe that I owe this subcommittee, as well as my boss back in DHS, a notion of efficiency and effectiveness and good stewardship of the taxpayers' dollar in addition to the emotional thrust that we all took over the course of the first year by making judgments toward security virtually at every fork in the road that we came to.

That is the effort that we have undertaken. It is now buttressed by several technological opportunities that we have. As we go from very people-intensive ETD machines and make the installations permanent of EDS equipment across the country, that will save an awful lot of money. When we have finished the information technology architecture at our respective airports, we will be able to get the right kind of management-scheduling software available to the Federal security directors to optimize the use of the people that he has there.

So there are a number of things that play, Senator Byrd, with respect to why we are doing it and how we are doing it. I will get you a very solid review, sir, of the airport that you asked me about.

Senator Byrd. Will you get that to the subcommittee?

Admiral Loy. I will, sir.

[The information follows:]

#### Screener Reductions

An equitable process is being applied to the screener workforce reductions for all airports, using objective, fair, consistent, and pertinent factors in determining appropriate staffing levels regardless of airport size or location. There is no intention to single out West Virginia airports for larger reductions. Initial analysis revealed that Yeager Airport currently has a larger screener complement than necessary to operate the single passenger screening lane. As the process moves forward, TSA is inviting Federal Security Directors, community and airport leaders, and others to provide feedback in the form of airport specific information or other factors that are expected

to drive TSA's upcoming refinement process. TSA will evaluate all the newly obtained information and will refine the preliminary numbers using this information and originating passenger data to arrive at a far more accurate reflection of the staffing needs at all airports. We will keep you apprised of the results of our on-going process to provide efficient, effective screening.

Senator Byrd. It is important that the subcommittee know, as well as that I know.

Now keep in mind here, I board a plane at Charleston, West Virginia. It has a straight, direct course to Washington, the capital of the country. I think we have to keep that in mind. It is not a large airport, like Chicago or Washington or New York. But it is on a direct course.

So then you will--will you review your decision regarding these hard-hit airports?

Admiral Loy. I absolutely will, sir. We are doing it routinely. I have asked my Federal Security Directors, as I said earlier, in consonance with the airport directors, the two of them getting together and thinking through very carefully the numbers involved in getting any challenges and their corrections back to us.

#### MARITIME AND LAND TRANSPORTATION SECURITY

Senator Byrd. Your agency is entitled the Transportation and Security Administration, not the Aviation Security Administration. Yet within your agency's \$4.8 billion budget request for next year, only \$86 million is requested for maritime and land security activities, while over \$4.3 billion is requested for aviation security. Last week I asked Under Secretary Hutchinson why less than 2 percent of the transportation and security budget request is for maritime and land security. That is more than \$1 in \$50. And I asked him why the \$218 million budget request for administrative costs associated with TSA headquarters and mission support centers is 2.5 times greater than the request for maritime and land security. And I did not get a very convincing response.

I say this with all due respect to Under Secretary Hutchinson. I am quite impressed with him as a man, man of ability. And I have great admiration for him. And I know that he has a big, huge responsibility here. But after all, we do have to try to get the answers to our questions. And in order to do a good job of adequately funding the agencies, we need the information that we ask for.

I simply am not satisfied with the view, the apparent view, at least it seems that way, that port security is solely the responsibility of the ports. Ports focus on moving goods through the ports swiftly. The Federal Government must do more to direct the ports to focus on security and to provide resources to do so. Just 1 year ago this month, we were receiving reports that up to 25 Islamic extremists had entered the United States as stowaways in cargo ships. Our ports are vulnerable. And our ports need the funds to begin protecting them now.

Over \$1 billion in grant applications were received in response to the original \$105 million appropriated for port



security grants in the fiscal year 2002 supplemental. Last week I asked Under Secretary Hutchinson if he would commit to allowing the \$150 million provided for port security grants in the omnibus appropriations act to be used to address the \$1 billion in grant applications sitting on his desk. Rather than run another competition for this next set of funds, does it not make more sense to use the additional \$150 million provided by Congress just 3 months ago to address what is unarguably an urgent need for enhanced port security?

Admiral Loy. I think it is absolutely the case that it is the right thing to do, Senator Byrd. And I think we can probably not only deal with that \$150 million, but the additional \$20 million that was appropriated in the war supplemental as well.

So I think, based on the fact that we have, as you described, over a billion dollars worth of applicants, or applications in hand, we have every intention of distributing all the port security grant monies for 2003, including the 150 and the 20 against those applications.

Senator Byrd. Well, the Congress, let me just say for the record again, that the Congress has included in three separate emergency supplemental bills, as well as in the fiscal year 2003 omnibus appropriations act, funding for port security grants. In total, \$348 million has been provided. However, none of this was requested by the administration. And only \$93 million has been distributed to the ports to date. While the administration was eager to sign the Maritime Transportation Security Act, they have been silent on the costs associated with implementing it.

I have just another brief question or so.

#### COMPUTER ASSISTED PASSENGER PRE-SCREENING SYSTEM

Admiral Loy, when Under Secretary Hutchinson testified before the subcommittee, I asked him about the Department's plans in regards to CAPPS II. Air travelers are very curious about this new system because it will examine information about people attempting to board a plane and will use that information to assign a threat level to each passenger. This is an important endeavor for Homeland Security, but there are many troubling questions raised by such a system, not least of which is what information will the Government use to determine threat level.

I asked Secretary Hutchinson to tell us whether consumer debt history would be included in such information. He told us it would not. Secretary Hutchinson's answer did not quite set the record straight. Since his testimony, there have been numerous media reports that name credit history as one of the factors that CAPPS II may examine.

On January 15, 2003, the Department of Transportation issued a notice in the Federal Register that named ``financial and transaction data'' as one of the categories of records for CAPPS II. You have not issued a new notice or a CAPPS II guideline since January 15. Will you issue new updated guidelines that reflect Mr. Hutchinson's assertion that credit history will not be part of the CAPPS II system?

And I do not care if you check my credit history. I have

been married now 66 years come Thursday, 2 weeks from now. And the only items that my wife and I have purchased on credit in those 60 years was a bedroom suite to begin with. And that was purchased at the coal company store. And I paid \$7.50 every 2 weeks on that.

Admiral Loy. Is that paid off now, sir?

Senator Byrd. How is that?

Admiral Loy. Is that paid off now, sir?

Senator Byrd. I did not understand you.

Admiral Loy. Is the bedroom suite paid off at this point?

Senator Byrd. Well----

Admiral Loy. That is none of my business, sir. And I apologize.

Senator Byrd. We are supposed to ask the questions here.

And, of course, we had to go in debt for the first house we lived in, when we moved to Washington 50 years ago.

Admiral Loy. Yes, sir.

Senator Byrd. But we paid that off just in a couple of years. And in debt for the present home. And I cannot remember any other item we have ever gone in debt for. We do not owe anybody. So I can ask these questions without any trepidation.

What steps will you take--did I get an answer for the first question? Will you issue new updated guidelines that reflect Secretary Hutchinson's assertion that credit history will not be part of the CAPPS II system?

Admiral Loy. Absolutely we will, sir. We intentionally put the Federal Register notice out literally as widely as we could. We recognized from the very beginning the importance of the privacy end of this project. If I may, sir, you have given me an opportunity to just describe a couple of things about CAPPS II that I believe are fundamental and critical to our doing a better job with passenger pre-screening.

First of all, the system that is in place today is broken. It is run by the airlines in a wide variety of different ways, from hand-held mimeograph lists to sophisticated software on the other end with respect to name recognition. These are enormously high stakes. Our first and foremost challenge, as directed by the Congress, was to keep terrorists off airplanes.

CAPPS II will become a very narrowly focused threat assessment tool that will allow us to do an infinitely better job of identification authentication so that the person who claims them to be Joe Jones we have some confidence level that they are actually that person.

Secondly, they will use a much stronger list of foreign terrorists that has been developed principally by the Justice Department over the course of this last year-and-a-half, so that we have a firmly identified person being bounced off a firmly put-together list, not a haphazard list, not just a name only kind of recognition as to whether or not the person is who he claims to be.

They will also have a system that will allow us to sort of rheostat it based on the intelligence that we have for that day. If the intelligence for that day is threatening about an airline, about an airport, about a region of the country, about a flight, we will be able to adjust resources, both in terms of Federal air marshals, screeners at our airports, or even potentially the Federal flight deck officers that we have just

begun to put into our system.

This is not about data mining. This is not about NCIC checks or credit checks on creditworthiness of a person one way or the other. There are many of us who perhaps would actually find that if our creditworthiness was not so hot, that would prove that we are Americans. But we are not going there in any case, as to checking creditworthiness as part of this process.

There will be no data held on these travelers, with the exception of those that are determined to be potentially foreign terrorists or those who are hanging around with them. And there will be absolutely no racial or ethnic profiling as part of this project that we are building.

I have personally conducted, and my team has conducted, an extensive outreach to the privacy community. We have held off-sites with privacy officers from the business world with the most strong advocates of the Fourth Amendment anywhere in this country. And we are learning from them as to what ought to be the privacy strategy that is in place as part of this project.

We have briefed the Hill several times and look forward to any other opportunities to educate either the Committee members or their staffs as to why this project is so important to our future.

#### PRIVACY RIGHTS

Senator Byrd. Well, you have answered my next question, it being what steps will you take to protect air passengers' privacy rights? Are there any additional thoughts you have on that question?

Admiral Loy. Only that as we have worked with the privacy advocates and communities, sir, they have four or five basic things that they want to be assured of. First of all, they want to be assured of an oversight of what we are doing that is ongoing in nature, not just a check in the box at the point we get the thing blessed and press on, but an ongoing oversight responsibility for making sure we do not allow mission creep to enter into that system.

They want a protocol for redress, if they, any individual, American citizen, feels they have been wronged at the pre-screening process, that they have a means by which they can get redress to the system. They want to make sure that the information that they are offering, which is, by the way, a traveler-initiated information package, name, address, phone number, date of birth. Those are the four things that we will be asking for as part of the process. That the security associated with anything uncovered as a result of providing that information is very real. These are standards that we want to build into that next privacy notice to make sure all of America understands what this project is about.

Senator Byrd. Will the new notice name the precise databases of information CAPPS II will collect about air passengers?

Admiral Loy. I do not know that we have any reason not to name those in the privacy notice that will follow the rest of our review, Senator Byrd. But if you will, sir, I would be happy to get back to you, as we are about to formulate that second Register notice and advise you directly at that point.

Senator Byrd. And how long will that be? I mean, how soon will that be?

Admiral Loy. We are talking about weeks, perhaps a month. We are not talking about months or a year. We are anticipating that the developmental work on CAPPS II will proceed and that likely we will be at a point of having it online for America sometime in the spring of 2004.

Senator Byrd. So you will supply the subcommittee with that information?

Admiral Loy. I will, sir.

[The information follows:]

## CAPPS II

CAPPS II will use commercial and government databases. The new notice will identify all of the information that will be collected on passengers and brought into the government system of records. TSA will not, however, identify the commercial data providers in the notice because CAPPS II will merely obtain authentication scores from commercial data providers and the underlying data belonging to commercial data providers will not be brought into the CAPPS II system. Furthermore, for security reasons, the notice will not disclose the nature or details of government-owned intelligence or other data that will be in the system.

Senator Byrd. Just another question or so, Mr. Chairman. And will the guidelines, in your opinion, be as clear as you have been today?

Admiral Loy. They will be directly that clear, sir. Absolutely.

Senator Byrd. Just a postscript with regard--well, I will hold that for a moment.

Admiral Loy, you were the Administrator of TSA last fall when you transmitted through the Department of Transportation to the OMB your request for fiscal year 2004. As a former Coast Guard commandant and as the Administrator of TSA, I am interested in your specific views of the resource needs for TSA. Would you tell us how much was requested at the OMB level?

Admiral Loy. Senator, I will be happy to stand right beside Judge Bonner when we report back to the Committee. But let me just say two things----

Senator Byrd. Now the head of this pin is getting awfully narrow.

Admiral Loy. I understand. And we are dancing and trying to keep both feet off the ground, sir.

Two things. I think the judge hit directly on the head of that pin when he described the opportunity that must be present for the new Secretary to consider the kinds of dispersion of, for example, threat assessment monies that are important for the whole range of what the Department is now responsible for. So many of the dollars that we had identified, for example, outside of aviation for what we thought was important work for TSA to press on with have been momentarily gathered at the Secretary's level to allow him the benefit of making judgments as to where the most important dollars could be spent for the well-being of our homeland.

I think that is an important step for him to take. And I

think it was the right thing for the gathering of such things as vulnerability assessment dollars that had been requested to be centralized in the new directorate known as the Information Analysis and Infrastructure Protection Directorate and allow Secretary Ridge the first opportunity to disperse those funds in the right direction.

I trust, and I have every confidence, that a lot of those dollars are going to find their way back to transportation issues in ports, in rail, in transit systems, and other such work as I have offered to the Secretary to get on with.

Senator Byrd. Well, thank you, Mr. Chairman. And thank you, all members of the panel.

May I just say in closing that my references to my own personal financial data were not intended to be bragging. My old mom used to tell me that a self-braggart is a half-scoundrel. But I think I want to make it clear for the record that my wife and I have always handled our business the old-fashioned way.

Admiral Loy. As we all wish we could, sir.

Senator Byrd. We all might do better if we tried.

Admiral Loy. You bet.

Senator Byrd. Thank you.

Thank you, Mr. Chairman.

Senator Cochran. Thank you, Senator Byrd.

#### LETTERS OF INTENT

Admiral Loy, the budget request submitted by the Transportation Security Administration does not include any requests for funds for installation of explosive detection systems. But I notice in your testimony you mention that there is an intent to amend the request to include funds associated with the Letters of Intent program.

Do you have a plan or a timetable for when you are going to submit this or how much you will be requesting to carry out the Letter of Intent program?

Admiral Loy. I think it is important for two things to be brought to this discussion, sir. First of all, I think it is so important for this program to press forward that my commitment to the Department of Homeland Security has been that I would find monies within the request already on the table to press on with the EDS installation program.

I also see that in the reauthorization legislation associated with the air, what used to be Air-21, there is a notion of a substantial fund being established to provide for the funding of major security projects at airports. There was originally a discussion associated with whether that should be dealt with inside the Department of Transportation or within the Department of Homeland Security.

I would hope that if they are truly, if the intent of that segment of the bill is to fund security projects for our country about aviation, that they would be in the Department of Homeland Security and made available to TSA to administer. That would be an appropriate means by which we could find those dollars to do that work.

#### LAW ENFORCEMENT OFFICERS

Senator Cochran. There is, in the TSA's plans for this year, agreements with local airports and State agencies for uniformed officers at security checkpoints. Now there is an announcement, I understand, that has gone out that TSA will not reimburse local airports for law enforcement officers. We had a couple of airports in our State that had been counting on some funding to help pay the costs of providing uniformed officers at security checkpoints.

What is the explanation, or is there any rationale, for changing your mind about reimbursement for the expense of local law enforcement officers at airports?

Admiral Loy. Yes, sir. I will be happy to provide that. As you know, the original ATSA legislation required Federal law enforcement officers to be stationed at each checkpoint across our country. Those responsibilities were largely fulfilled by the National Guard in the immediate wake of the tragedies of 9/11. As the National Guard disbanded from the airports, State and local officials, law enforcement officials, filled the gaps with absolutely excellent performance across this last year.

Our first recognition of whether or not the original law needed adjusted was to take out the word Federal. And we got the technical amendment associated with that accomplished. Just in the course of the last appropriations cycle, the requirement that they be stationed at the checkpoint was also eliminated. We felt, after having observed this and with the great counsel from the State and local people who have been doing this work for us, that there was an infinitely greater capacity for law enforcement to be done at the airport, if we went toward a flexible response kind of an approach, where they were not rigidly stationed at the checkpoint, rather could be roving to a standard of response to get back when necessary, if something happened at the checkpoint, but in the meantime could be doing excellent law enforcement surveillance work, counterdetection work, other very good things that those officers could be doing for us at the airport, not unlike they had actually done many times before 9/11/01.

So my announcement on the end of this month will be that, A, it is no longer required for that officer to be rigidly stationed at that checkpoint. And we will adopt a flexible response approach.

We will eliminate the existing memoranda of agreement associated with doing that and, where appropriate, renegotiate reimbursable agreements in airports across the country. We think we will probably be able to provide better security at far less money for the American taxpayer.

#### PROFESSIONALISM OF AIRPORT SCREENERS

Senator Cochran. I appreciate that. And, in closing, I wanted to make an observation and ask for your reaction to it. Members of the Senate and Congress, as well as others, I am sure, travel a good bit on airplanes. We have an opportunity to observe the passenger screening procedures and the personnel conducting those operations at a number of airports throughout the country.

These individuals are charged with doing the things

necessary to assure that our airplanes are safe from hijackers and others who are likely to cause or engage in terrorist activities, hijackings, or commit crimes. It seems to me that there is a wide disparity between airports and among different individuals who are working to screen passengers. There ought to be some way to standardize and have a predictable level of competence and courtesy, building confidence among those who are traveling by air that the screeners know what they are doing and that we have good people, talented people, working throughout the air passenger system.

But that is just not the case right now. I mean, there is a wide disparity from airport to airport. I was surprised and really very pleased this weekend, when I came across some airport screeners who were very courteous and almost treated us all as if we had not been convicted of a terrorist act as we were proceeding through the lines. Others tend to be pretty aggressive and some even mean-spirited, it seems.

I wonder when we can expect to get to the point where we can count on a predictable level of competence and courtesy, that the air-traveling public can expect, as we go through the lines and are screened before we get on the airplanes?

Admiral Loy. Actually, I am very disappointed to hear that report, Senator Cochran, because we had been working very diligently to gain passenger feedback by focus groups and asking questions of folks who are actually in the middle of the experience across the country. And on balance, our feedback had been that the courtesy, respect, professionalism of the federalized screening force that took the place of many of those screeners of the past, who unfortunately were more apt to be described as you just described them, and that we had actually done a very good job in that regard.

Our training program was exactly the same from coast to coast. And to the degree there is a leadership challenge for that Federal Security Director to mandate from his workforce the descriptors you just described, that is exactly the standard that I want those screeners to deal with across the country. I will personally put out a message reinforcing that, because that is what we taught at the training. And if it is not there, I would actually like to know about that, so that I can fix it anywhere in the country, sir.

Senator Cochran. Well, we appreciate that. I think it is a matter of leadership. And I am not suggesting that you are not a good leader. But somewhere down the line at some airports there is a breakdown in that.

Admiral Loy. Yes, sir. We need that feedback so we can correct that where it is appropriate.

#### ADDITIONAL COMMITTEE QUESTIONS

Senator Cochran. We have another hearing that we had scheduled, where we were going to review the budget request for the Department of Homeland Security's Information Analysis and Infrastructure Protection. The individual named to that position has not been confirmed, so that hearing is going to be postponed and hopefully will be rescheduled at a later date.

As you know, Senators may submit additional questions to you to be answered for the record. And, we hope you will

respond to those questions within a reasonable time. We appreciate very much your cooperation with our efforts to review your budget request. We look forward to continuing to work closely with you as we try to identify the priorities in a thoughtful way to help ensure our Nation's security.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

#### Questions Submitted to the Bureau of Customs and Border Protection

##### Questions Submitted by Senator Thad Cochran

##### FEE REVENUE

Question. Within your Bureau, there are multiple fees that are paid by air and sea passengers for inspections services. Are you reviewing the various fee structures with an eye towards rationalizing where, when, and how these various fees are paid? Do you plan to send a legislative proposal to the Congress?

Answer. A working group composed of representatives from the legacy agencies is currently reviewing the various structures. The group is tasked with identifying solutions to address the varied issues to accomplish an integrated Bureau program. The critical objective of the group is to develop a legislative BCBP user fee proposal for the Congress to consider.

Question. What is the current financial condition of the Immigration User Fee Account? Although additional hiring was authorized, what plans do you have in place to ensure that the Immigration User Fee will live within its means this fiscal year and next fiscal year?

Answer. Fiscal year 2003 collections averaged 10.5 percent higher (\$268.0 million) for the first two quarters than our projection of \$243.6 million. In fact, this per quarter average increase has held since the 3rd quarter of fiscal year 2002. During the first two quarters of fiscal year 2003, the immigration user fee collections reached just over 47 percent of the annual fiscal year 2003 projection of \$567.8 million. Depending on the impact that severe acute respiratory syndrome (SARS) has on the normally robust summer international travel, we are cautiously optimistic about achieving the fiscal year 2003 projection.

When immigration user fees for persons entering the United States through an air or sea ports-of-entry materialize at levels lower than estimated, as they did in fiscal year 2002 (-\$85 million), we implement as many of the following cost reducing actions as are needed to bridge the funding gap.

- Reduce discretionary overtime
- Offset (to other accounts) or defer (to the next fiscal year) selected non-payroll spending
- Delay hiring enhancement positions until late in the fiscal year
- Don't fund servicewides associated with the number of enhancement positions not hired
- Don't hire seasonal inspections staff
- Freeze non-payroll spending
- Implement a furlough

The order listed is generally the order in which actions are considered; however, there are exceptions. For example, in fiscal year



2002, overtime was required to operate at heightened threat levels. Therefore, steps taken to bridge the fiscal year 2002 gap skipped step 1, and the gap was resolved by a combination of steps 2-4. Steps are implemented only as far as necessary to resolve the gap. Thus far, the gaps have not been serious enough to implement steps 5-7.

Immigration user fee passenger volume has been recovering toward the pre-September 11, 2001 trend for the last 4 quarters but has not yet reached pre-September 11, 2001 levels. The fiscal year 2003 projected collections (\$568 million), although showing a \$63 million increase over fiscal year 2002 collections, would still be \$90 million below the fiscal year 2003 authorized spending authority (\$658 million).

The steps taken in fiscal year 2002 are being repeated in fiscal year 2003 to bridge the fiscal year 2003 gap.

Question. The Land Border Inspection Fee is also facing a deficit this fiscal year. What plans do you have in place to fix this situation?

Answer. The immigration land border fees including nonimmigrant arrival/departure records and Canadian boat landing permit, as examples, have not been increased in many years and do not fully recover the cost of services. They are currently undergoing a cost review, and recommendations for fee increases are likely. Prior to fiscal year 2003, the \$7-\$8 million annual gap for 398 authorized positions was absorbed in the Exams Fee account where these fees were collected. With the transfer of these fees to the immigration land border fee account in fiscal year 2003, the gap between costs and collections has to be offset with appropriated funds. Our plan to fix the situation in fiscal year 2003 is to offset approximately \$7.4 million of payroll and non-payroll costs with appropriated Inspections funds.

Question. The authority to collect a fee for land border inspections has been used successfully to fund commuter express lanes. In fiscal year 2002 the authority to run pilots was expanded from 6 ports of entry to 96 ports of entry. Do you have any plans to study requiring all vehicles and pedestrians that use the land border to pay a fee for that service, not just express commuters? Have you considered requesting that the prohibition in Public Law 103-317 on assessing such a fee be lifted?

Answer. We are not planning for a universal land border fee and are not planning to request that the prohibition be lifted. However, over the next 5 years, we are considering increasing the numbers of dedicated commuter lanes so that many land border ports will have more than one dedicated commuter lane available for pre-approved enrollees. We believe the increased lane access will encourage greater participation in the NEXUS and SENTRI programs and will increase the numbers of pre-cleared travelers, as well as begin the process of integrating the dedicated commuter lane concept with the U.S. VISIT entry--exit concept. Increasing the numbers of dedicated lanes at selected ports will provide for increased revenues to cover the cost of operating the dedicated commuter lane enrollment centers. The cost of increasing numbers of dedicated lanes would have to be paid from appropriated funds as they have been in the past.

#### PHYSICAL ASSETS

Question. Virtually every individual program that has been merged into BCBP has a need and a budget for buying vehicles. What steps are

you taking to review these budget items? What plans are there for consolidation of procurement, retrofitting, and maintenance?

Answer. We are reviewing options for consolidating functions to include fleet management. We currently have one bureau with a very robust fleet management program that covers over 67 percent of the BTS fleet. They have three established vehicle retrofit factories through a partnership with Federal Prison Industries that provide over one million high-quality, low-cost, labor hours to retrofit our vehicles. The vehicle retrofit factories convert production line vehicles into customized law enforcement vehicles. They provide a complete vehicle replacement service to our customers that includes delivery of a turnkey vehicle, the disposal of the replaced vehicle, and the initiation of the vehicle file in our fleet maintenance management system. They are also implementing a state-of-the-art commercial off-the-shelf maintenance management system and fleet services. The new service will allow our fleet managers to analyze and compare vehicle life-cycle costs; in-house maintenance and commercial costs; performance of fleet vehicles by type, year, region, etc; and the status of vehicle and component warranties. It will allow our field personnel to focus on their core Homeland Security mission while improving the quality and economy of their vehicle fleet.

#### CANINE UNITS

Question. The creation of the Customs and Border Protection Bureau brought together 1,210 canine teams--705 from the Customs Service, 334 from the Border Patrol, 30 from the Immigration Inspections program, and 141 from the Animal Plant Health and Inspection Service. Are you reviewing the multitude of canine programs that are already in existence in your organization to look for overlaps in mission?

Answer. Yes. The Legacy U.S. Customs Service, Legacy Border Patrol and Legacy Animal and Plant Health and Inspection Service have developed working groups to work with the transition team to identify overlaps in missions. Output from this working group was provided to the Transition Team for the Commissioner's review and comments.

Question. Do you have any estimated cost savings from combining these programs? Are any assumed in the President's fiscal year 2004 budget request?

Answer. No. The working group is waiting for direction on the final structure, which was provided to the transition team. The working group is being proactive in developing standards for like functions such as narcotics detection. Work is ongoing to standardize such things as evaluations, certifications, etc. At this time, the efforts would be budget neutral should they be implemented.

#### CONSOLIDATION ISSUES

Question. How are plans proceeding on the integration of the inspections programs and when do you anticipate seeing the cost savings from creating a consolidated inspections program?

Answer. A plan is in place to roll out a unified primary inspections program as well as an improved counterterrorism secondary inspection program. For cargo, a working group has been established to develop a unified cargo inspections process. It is anticipated that consolidated facilities and systems will produce a cost savings once the unified programs are in place. The roll-out of the unified primary inspections program is projected to be completed by the end of fiscal

year 2004 at land and in airports. Roll-out plans for seaports are in the process of being developed.

Question. After March 1, 2003, who assumed control at each of the ports-of-entry? How were the decisions made in appointing the acting port directors?

Answer. On February 27, 2003, Commissioner Bonner appointed 20 interim Directors for Field Operations to oversee operations at approximately 300 ports of entry nationwide. These appointments became effective on March 1, 2003.

The Interim Port Directors were recommended through an interagency process that involved senior managers from the Legacy organizations of Customs, Immigration and Agriculture. Current management officials at the ports, from the various legacy organizations, were considered in this process. The Interim Port Directors were then appointed by the Assistant Commissioner for the Office of Field Operations. Each of the Bureau of Customs and Border Protection (BCPB) Interim Port Directors report directly to one of the Interim Directors for Field Operations.

Question. How are you approaching the reconciliation of the disparate pay and benefit issues? Have you received input from the Office of Personnel Management on this issue?

Answer. We have established a transition working group to address the issues of the duties, pay and benefits of our workforce. This group has presented preliminary recommendations to the Commissioner regarding strategies to resolve these issues. We have plans to discuss these strategies with the Office of Personnel Management in the coming months.

Question. When do you plan to send a legislative proposal forward?

Answer. Once the personnel system flexibilities are determined, the pay disparities will be addressed. It is likely that they will require legislation. The Department of Homeland Security will be responsible for developing any required legislation.

## TRAINING

Question. What type of guidance have you provided to the Federal Law Enforcement Training Center concerning cross-training for existing inspectors from the legacy agencies?

Answer. When the Department of Homeland Security was created on March 1, 2003, all inspectors from legacy Customs, INS and Agriculture became part of a single agency, the Bureau of Customs and Border Protection (BCBP). The Commissioner of BCBP, the Honorable Robert C. Bonner, launched an immediate initiative to cross-train all existing inspectors in fulfillment of his statutory obligation as head of the agency to determine the training requirements of agency personnel.

Currently anti-terrorism training is being delivered to all 17,000 existing Inspectors and cross training on frontline primary inspections is being delivered to BCBP Inspectors at the ports of entry through CD-ROMs. This month, BCBP will begin training personnel to return to their duty stations and conduct live classes at the airports to prepare all inspectors to work in all primary areas. Closely following the airport rollout, land border and seaport inspectors will receive specialized training by trained trainers at their ports of entry. First line supervisors of the inspectors will also receive training. All inspectors will to receive monthly ``muster modules'' (short training sessions delivered at the ports on counter-terrorism topics). Training delivered on``)site is the most efficient and effective way to meet the immediate needs of the existing workforce while maintaining vital

operations at the border.

Question. What type of guidance have you provided to the Federal Law Enforcement Training Center for basic training for Customs and Border Protection inspector recruits?

Answer. The Office of Training and Development (OTD) in the Bureau of Customs and Border Protection (BCBP) is designing the new basic Inspector curriculum for its new recruits. This training will integrate the formerly separate elements of the legacy Inspector positions. This new training curriculum will meet all Federal Law Enforcement Training Center (FLETC) standards.

BCBP is working with the FLETC to coordinate their support of BCBP's projected training requirements in terms of the number of students to be trained, the approximate content and length of the proposed course, and the types of training that BCBP expects the FLETC to provide. While BCBP Instructors provide the majority of the training hours to its recruits, FLETC provides elements of training that are common to all law enforcement agencies such as training in Firearms, Arrest Techniques, Narcotics Identification and fingerprinting.

Question. Where will these inspectors train? Will they train as a group or separately or a combination?

Answer. All incumbent Inspectors for the Bureau of Customs and Border Protection (BCBP) will receive training at their current ports using a combination of group training to foster unification and teamwork, self-study to enable rapid uptake of critical skills and knowledge, and apprentice-style, on-the-job training (OJT) that provides opportunities for legacy Immigration, Agriculture Quarantine, and Customs Inspectors to demonstrate field practices to each other.

New recruits for BCBP Inspector positions will receive structured on-the-job training (OJT) at their duty station before and after they attend the classroom and practical exercise training at the Bureau of Customs and Border Protection Academy in Glynco, Georgia.

#### BORDER PATROL

Question. Now that the Border Patrol is part of your organization, do you intend to keep the National Border Patrol Strategy that INS has attempted to implement over the past 9 years?

Answer. The Border Patrol's national strategic plan was written in 1994 with the focus of implementation in the areas with the highest level of illegal immigration. The plan is achieved with the ``forward deployment'' and proper balance of agents, equipment, technology, and border infrastructure (cameras, sensors, roads, lights, fences or other border barriers).

Areas of operations that have become the focus of this plan have proved this to be an effective enforcement action. Participating sectors have seen a prolific change since the inception of their corresponding operations.

--El Paso--Hold the Line (arrests down, crime reduced)

--San Diego--Gatekeeper (29 year record low in apprehensions, crime reduced)

--McAllen--Rio Grande (crime and arrests reduced)

Changes have occurred since the strategy's implementation, most notably following the September 11, 2001, attack on the United States. The strategy's Phase IV implementation was accelerated to respond to the potential threats on the northern border. The upgrades in technology and its application for border deterrence and enforcement has also improved.

Continuation of the proven and successful National Border Patrol Strategic Plan is warranted in-order to respond to emerging threats and changes in the past trends of illegal border entries.

Question. What changes might you consider making to the strategy to increase its effectiveness and reduce migrant deaths?

Answer. Due to concentrated border enforcement efforts, organized smugglers have shifted their techniques and areas of operation from traditional unlawful entry points near the ports of entry to extremely remote and dangerous areas. The intense summer temperatures and arduous terrain associated with these areas account for the majority of documented deaths. BCBP has been increasing efforts to identify and prosecute smugglers who choose more dangerous methods and routes to smuggle unsuspecting aliens. Yearly enhancements allow for BCBP to apply resources where the deaths occur to effectively deter and disrupt illegal border traffic. BCBP is also expanding its Border Safety Initiative, which incorporates a multi-pronged approach to making the border a safer environment. BCBP is increasing the number of qualified medical/rescue agents and is cooperating with Mexican counterparts at an unprecedented level. For example, a meeting of field representatives has just concluded, which produced a collaborative strategic plan for reducing deaths on both sides of the international border. As the strategy evolves other initiatives will be developed and supported. BCBP leadership is convinced that when the proper balance of personnel, equipment, technology, and tactical infrastructure exists, the illegal crossings will decline, bringing a commensurate decline in deaths and injury.

Question. Given the level of additional resources that have been put into the Northern Border, will you be revising that portion of the strategy?

Answer. Since its implementation in 1994, the Border Patrol's National Strategic Plan has been the basis for a multi-year, multi-phased approach for the deployment of additional personnel and resources, for the purpose of increasing control of our Nation's borders. The cornerstone of this strategy calls for ``prevention through deterrence'' as the means to restrict illegal entry attempts into the United States. Along the southwest border, the strategy has concentrated Border Patrol resources into those specific geographic areas experiencing the highest level of illegal activity. The key to the successful implementation of this strategy has been the deployment of the proper balance of personnel, equipment, technology and infrastructure into those areas.

As originally written, the final phase of the National Strategic Plan calls for enhancing our enforcement posture along the northern border and coastal areas of the United States. Securing the northern border has traditionally presented many unique enforcement challenges for the Border Patrol. Our shared border with Canada is approximately 4,000 miles long and is the longest non-militarized undefended border in the world. In the past, this vast expanse, coupled with an inadequate number of personnel and a lack of resources and infrastructure, has significantly limited the Border Patrol's deterrent effect upon illegal activity. In the wake of September 11, 2001, vulnerabilities and deficiencies along the northern border have received increased attention, which has caused the Border Patrol to accelerate its efforts in increasing our enforcement presence along the northern border.

The current Northern Border Strategy encompasses interagency and international cooperation and coordination, effective technology

development and deployment, and innovative resource allocation. The geographic and environmental conditions found on the northern border have led to the historic economic and cultural interdependence of the United States and Canada. In light of the long-standing cooperation and economic interdependency, the Border Patrol has conducted activities along the northern border with significantly fewer resources than were dedicated to the southwest border. For these reasons, the Border Patrol cannot simply replicate the same enforcement strategy implemented on the southwest border.

The Northern Border Strategy relies upon maximizing existing resources in order to strengthen control of the border. The Northern Border Strategy also requires the proper balance of personnel, equipment, technology and infrastructure. To improve our effectiveness, the initial area of emphasis is the expansion of liaison and increased intelligence sharing with other Federal, State and local law enforcement agencies, as well as our counterparts within the Canadian government. The second emphasis is on the deployment of enforcement related technology along the border to act as a force multiplier, thereby increasing the area that can be adequately covered by available manpower. The final emphasis of the strategy calls for the deployment of additional personnel into our northern border sectors. As mentioned, subsequent to September 11, 2001, the Border Patrol accelerated into this phase by redeploying agents from the southwest border to the northern border.

Question. In December 2001, the Northern Border sectors of the Border Patrol were directed to create or expand Integrated Border Enforcement Teams or Integrated Maritime Enforcement Teams. What progress has been made in carrying out this directive?

Answer. IBETs are intelligence driven/intelligence led enforcement teams comprised of Federal, State/provincial and local law enforcement personnel working together to enhance our shared border's integrity and security. They are multi-disciplinary in nature and work in land, air and marine environments along the Canadian/United States border, respecting the laws and jurisdiction of each nation. They identify, investigate and interdict persons and organizations that pose a threat to our national security or are engaged in other organized criminal activity.

Since December 2001, the Northern Sectors of the Border Patrol have created and expanded the Integrated Border Enforcement Team (IBET) program to include participation by all Northern Border Sectors. There are 14 IBET locations along the Northern Border with 12 currently fully operational. All IBET regions should be staffed and operational by the autumn of 2003.

BCBP/USBP has 17 assigned IBET intelligence sources. BICE has 60 IBET resources, 4 of which are intelligence resources. Currently, the total number of RCMP IBET assets is 131, with 25 being intelligence resources. Canadian Customs Revenue Agency has 14 dedicated IBET intelligence resources.

A multi-agency monthly report is what the IBET's are currently working towards. From this report, a national multi-agency monthly report/bulletin will be compiled and distributed to all partner agencies. A yearly Risk Assessment will be established for each IBET and a national Risk Assessment will be compiled. A weekly IBET Information Brief containing open source information is currently produced by the National RCMP IBET analyst and is distributed to all partner agencies through intelligence contacts that have been developed in those agencies.

To ensure that all local, State and Federal participating IBET agencies are aware of the IBET program and concept, training has been established and conducted with Federal, State and local law enforcement agencies on both sides of the border to inform participants on IBET concepts and operations. Four 3 day IBET workshops have been completed in 4 locations with a total of 146 members from multiple government agencies participating. This training has been extremely successful.

Present initiatives under development call for improving the IBET model. Current efforts include the co-location of intelligence resources in 4 locations and the dedication of full time resources to the Intelligence group from all participating agencies.

Question. What is the current status of overall Border Patrol hiring? Do you expect to hire all of the new authorized positions this year? Please provide the committee with the total number of on-board agents as of the date of this hearing.

Answer. Border Patrol hiring continues at a steady pace. Interest in the Border Patrol as a career remains high among our applicant market, with more than 37,000 applications received as far this fiscal year. Through our highly selective screening and processing, we project a net new hiring figure of 600 new agents for fiscal year 2003. This number will meet the additional 570 agents directed by Congress and will make significant progress towards overcoming the hiring shortfall of fiscal year 2002. As of May 13th, the date of the hearing, the Border Patrol had 10,381 agents on-board.

#### INSPECTIONS--DOCUMENTATION

Question. Current Federal regulation exempts certain persons, such as U.S. citizens, from presenting a passport when arriving into the United States from most countries in the Western hemisphere. Inspectors can allow a person to enter based upon only an oral claim of citizenship. Inspectors intercept thousands of aliens each year who falsely claim to be a U.S. citizen in order to unlawfully enter the United States. What policy changes, if any, would you recommend that would mitigate an alien's ability to successfully enter the United States by falsely claiming to be a U.S. citizen?

Answer. These issues have significant legal, domestic policy, and foreign policy implications, all of which must be analyzed and carefully weighed before a final recommendation and policy decision can be made.

Question. Your Department is charged with developing a comprehensive Entry Exit system to track the arrival and departure of all aliens into this country. Given that, should the Western hemisphere exemption be reconsidered, such that everyone, U.S. citizen or Canadian will have to present a passport to gain entry into the United States at an international border crossing?

Answer. These issues have significant legal, domestic policy, and foreign policy implications, all of which must be analyzed and carefully weighed before a final recommendation and policy decision can be made.

#### CARGO AND PASSENGER PROCESSING

Question. Over the years, the Customs Service and the former Immigration and Naturalization Service have recognized the natural tension between ``enforcement'' and ``facilitation'' when processing cargo and passengers entering the United States. Striking a balance

between the two can be complicated by the fact that the cargo and passenger transportation networks are predominantly controlled by the private sector. What views and options will you bring to the Department of Homeland Security to help mitigate this tension?

Answer. The need to facilitate the flow of cargo and the need for a strong security and enforcement posture is not mutually exclusive. The need for both underlines the importance of advanced, electronic information on goods before they arrive in the country. BCBP realizes that and is working towards that end in many programs, the 24-Hour cargo rule and the forthcoming proposed regulation under the Trade Act of 2002 being excellent examples. Both are efforts to capture cargo information from the Trade earlier in the transportation cycle so that security decisions on release or examination are made efficiently before goods actually arrive in the country.

Question. Recognizing that it is a difficult proposition, how best can we gain reasonable assurance that laws will be enforced without unduly clogging supply chains and slowing the flow of passenger traffic?

Answer. The best method is to work towards the acceptance of electronic information from all parties involved in the transaction who must report to BCBP as well as those who may offer additional information to facilitate cargo movement. Since BCBP is relying on this data for important decision-making, the sources of the data must be well known and, if necessary, regulated by the government. BCBP must be willing to expand its communications with various trade parties, and has acknowledged this with its C-TPAT program and its acceptance of Non-Vessel Operating Commercial carriers into the Vessel Automated Manifest Systems.

Question. Given the fact that the cargo and passenger transportation networks are predominantly controlled by the private sector, how can the government and private sector work in a partnership to ensure that security becomes a natural and reinforced part of the supply chain in a cost-effective and operationally efficient manner?

Answer. BCBP can ensure that it is able to communicate with all trading partners who need to supply data. It can also act to serve as a communication link between trade partners so that some or all of the necessary shipment data can be shared, thereby saving the trade from having many communications links to many different companies. In doing so, BCBP can also shield data that should not be seen by all the parties to a transaction.

#### INFORMATION TECHNOLOGY

Question. The fiscal year 2004 budget for the Bureau of Customs and Border Protection requests \$30.2 million for an Information Technology Transformation to Homeland Security Fund, and has a separate request for \$22.3 million for an Information Technology Infrastructure program called ATLAS. Please explain the differences between these two requests.

Answer. The Information Technology Transformation to Homeland Security Fund is being created to address Information Technology (IT) compatibility and interoperability issues that arise during the transition including, but not limited to, mission systems, electronic mail, networks, collaborative tools, enforcement data integration, administrative capabilities and expanded services to other DHS components. It is imperative that IT operability remains stable in order to efficiently meet BCBP mission requirements. This fund will be



used to extend the BCBP enterprise architecture to provide expanded access to IT capabilities in support of the Homeland Security mission.

Legacy INS initiated the ATLAS program in 2001 to transform its stove-piped and aging IT infrastructure into an up-to-date environment that can provide improved data sharing and applications interoperability that will support the underpinning of all mission-critical, application development initiatives and all systems that are in an operations and maintenance mode.

Question. With the consolidation of Customs and INS into DHS' Border and Transportation Security Directorate and DHS' associated effort to integrate border protection and immigration and customs enforcement, what are the implications for continuing ACE, the Modernization project, and ATLAS as separate projects?

Answer. The Modernization Program and its first project, ACE, will support the overall mission of the Directorate of Border and Transportation Security (BTS) and, more specifically, enhance the operational effectiveness of the Bureau of Customs and Border Protection (BCBP). ACE will play a major role in enhancing both border security and border efficiency. It provides an integrated information base and IT platform that can be leveraged for border security.

Starting this year, ACE will help enhance border security and deliver efficiencies to the trade process by providing interagency information sharing, and real-time, cross-government access to more accurate trade information. By centralizing and integrating the collection and analysis of this information, ACE will enhance BCBP ability to target illicit cargo, illegal persons, and unsafe conveyances. The trade data will be analyzed prior to arrival, allowing advanced inter-agency assessment of risks and threats to determine which goods and people must be scrutinized. Results will determine if, upon arrival, a shipment is to be examined or cleared for release.

As noted above, the ATLAS program was initiated in 2001 to transform its stove-piped and aging IT infrastructure into an up-to-date environment that provides improved data sharing and applications interoperability that will support the underpinning of all mission-critical, application development initiatives and all current systems that are in an operations and maintenance mode.

#### INTERNATIONAL TRADE DATA SYSTEM

Question. What is the status of implementing the International Trade Data System? What will the request for \$5.7 million in additional funding for fiscal year 2004 be used for?

Answer. The ITDS initiative is currently in the process of integrating the first 9 agencies with responsibilities at the border including BCBP; U.S. International Trade Commission (USITC); Federal Motor Carrier Safety Administration (FMCSA); Bureau of Census; Federal Communications Commission (FCC); Food and Drug Administration (FDA) and U.S. Army Corp of Engineers (USACE).

The original fiscal year 2004 budget request for ITDS was approved at \$5.4 million prior to the identification and incorporation of agency inputs related to ITDS development. That original funding allowed the ITDS development contractor to perform only high-level requirements gathering. The request for the \$5.7 million in additional funding in fiscal year 2004 will be used to perform detailed requirements gathering and analysis for incorporation into ITDS and will include integration plans and agency readiness review criteria. This effort will include the development of a consolidated and harmonized

government-wide data requirements for all import and export transactions.

Question. How many of the over 100 government agencies involved in ITDS have participated in identifying requirements?

Answer. As of this date, over twenty of the over 100 government agencies have directly participated in the identification of requirements for ITDS. In addition, with the inclusion of Census in the list of participating agencies, numerous statistical agencies who currently receive their data exclusively or significantly through Census are considered to have their requirements addressed within the system. Through the on-going ITDS outreach efforts to the agencies and the system definition taking place within the ITDS Process Analysis Teams, additional agencies are being solicited to populate business process areas that align with an agency's mission.

Question. How many of the over 100 government agencies involved in ITDS have initiated changes to their existing systems and processes so they will work with ITDS?

Answer. Of the over 100 government agencies identified for inclusion in ITDS, at least nine have begun in earnest initiating changes in their systems and processes to work with ITDS. Numerous others have begun assessing the system and process changes that will be required once their integration begins. Agencies are coordinating their schedules for implementing change with the incremental delivery schedule of ITDS as functionality is deployed that best aligns with their mission needs.

Question. What will be the impact on anticipated ITDS benefits if trade agencies do not position themselves to use ITDS?

Answer. Benefits from ITDS fall into several categories: improved border and port security; improved port operations; improved data quality; reporting burden reduction to the international trade and transportation communities; and, streamlined operations post-entry.

These benefits will be lessened if agencies do not participate in ITDS. Paramount to this is the failure to leverage the ITDS development efforts and meet the spirit of the President's Management Agenda and its five government wide goals. It is difficult to quantify the extent to which benefits will not accrue to the Government. However, it is possible, depending upon which agencies do not participate, that port inspectional personnel may have to use more than one system for processing goods or conveyances; some trade and transportation companies may have to provide information to the Government through multiple information systems; the Government will not have all of the information available to support a single, knowledge-based risk management system; and, data quality issues will remain as long as data is reported through multiple information systems.

Question. What actions are planned to overcome any resistance trade agencies may have to positioning themselves for ITDS?

Answer. The ITDS Board of Directors has recently completed a major effort to contact all agencies that are potential candidates for inclusion in ITDS. The agencies were offered an opportunity to meet with ITDS and BCBP personnel to discuss the mission and vision for ITDS, expected benefits, and steps that agencies should take to be included. As a result of those contacts, the number of agencies participating in the Government Support Network (a user group conference for Federal agencies) tripled over previous meetings and the number of agencies participating in the Program Support Group (an ITDS participant group) has increased.

Commissioner Bonner will personally meet with heads of agencies

that have resisted outreach efforts but which are important for homeland security, border operations, and trade facilitation or which are developing competitive or redundant systems. The list of specific agencies to be covered by these meetings is not finalized as of May 28, 2003, but will be finalized shortly. A representative of the international trade community will participate in those meetings.

Several meetings have been held with the Office of Management and Budget to solicit support for agency budget requests that include integration into ITDS and OMB support for the initiative. Another meeting is being scheduled with budget examiners from all of the departments that have agencies that are possible candidates for inclusion in ITDS.

#### CONTAINER SECURITY INITIATIVE

Question. While your organization has launched the Container Security Initiative and continues to operate the Customs-Trade Partnership Against Terrorism, there is also Operation Safe Commerce, which is the responsibility of the Transportation Security Administration. Operation Safe Commerce is working to identify and fund business driven initiatives to enhance security for the movement of cargo through the supply chain. While each of these projects has a particular focus, how will these be coordinated to ensure no duplication of effort and the best use of the funding provided?

Answer. BCBP has the sole statutory and regulatory responsibility for container security on containers destined for the United States. Although this authority is clearly delineated through the implementation of enforcement programs like Container Security Initiative (CSI) and Customs-Trade Partnership Against Terrorism (C-TPAT), BCBP strives to comply with its mission in coordination with other equally vital offices within the Department of Homeland Security which have statutory and regulatory responsibility over a segment of sea transportation.

Coordination and communication with our department partners ensures an effective and streamlined security process. For example, BCBP has established a protocol with the United States Coast Guard to handle certain types of serious threats through the High-Interest Vessel program. Also, BCBP has shared interest with DOT and TSA in developing industry partnership programs that improve container security (and other types of transportation security) and are consistent for domestic and international shipping.

BCBP and TSA are working together through a jointly chaired steering committee that makes the final project selection decisions for Operation Safe Commerce. The Federal Register notice that initiated the Operation Safe Commerce program makes specific references to C-TPAT and CSI as initiatives that may be considered as part of Operation Safe Commerce business practices and technology supply chain ``test bed'' initiatives.

As a voluntary government-business initiative, the C-TPAT complements the overseas targeting of the CSI and the development of new security techniques under Operation Safe Commerce. As of May 9, 2003 C-TPAT membership includes over 3,000 companies that account for approximately 37 percent of all U.S. imports by value and approximately 93 percent of all U.S.-bound sea-containerized cargo. By creating a significant network of reliable and secure companies, C-TPAT enables BCBP to direct its CSI targeting to areas of greater risk and establishes a mechanism for incorporating the best practices and new

high-tech equipment identified by Operation Safe Commerce.

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Questions Submitted by Senator Pete V. Domenici

#### BORDER ISSUES

Question. It has been 17 years since the Federal government launched a major effort to upgrade U.S. borders and that effort focused only on the Southwest border.

I have just sponsored the Border Infrastructure and Technology Modernization Act (S-539). The new bill will focus on U.S. borders with Canada as well as Mexico. This bill has the dual goals of facilitating the efficient flow of trade while meeting the challenges of increased security requirements.

This will include:

- More funding for equipment at our land borders;
- Additional funding for personnel;
- Additional funding for training; and
- Additional funding for industry/business partnership programs along the Mexican and Canadian borders.

It is important for the border enforcement agencies to work with the private sector on both sides of the border and reward those partners who adopt strong internal controls designed to defeat terrorist access to our country.

What are your thoughts on the importance of trade partnership programs along the Southwest border?

Answer. Industry Partnership Programs (IPP) allow BCBP to expand our influence beyond the borders and into Mexico, Central America, South America and the Caribbean. Under the umbrella of the Customs-Trade Partnership Against Terrorism (C-TPAT), these priority initiatives include the Land Border Carrier Initiative Program (LBCIP), the Business Anti-Smuggling Coalition (BASC) and the Americas Counter Smuggling Initiative Program (ACSI). Each IPP enables the Trade to tighten our borders through the enhancement of supply chain security standards that deter smugglers from using conveyances and cargo to smuggle terrorist devices and narcotics. These complementary programs benefit both BCBP and the private sector by securing the integrity of shipments destined for the United States while promoting the efficient flow of trade.

We are currently working on additional security requirements that take into account the additional terrorist and drug threat on the Southwest border for conversion of the LBCIP carriers to C-TPAT. BASC chapters have been established throughout Ecuador, Colombia, Costa Rica, Mexico, Panama, Peru, Venezuela and most recently in Jamaica, where a chapter was founded in March 2003. The ACSI Teams continue to support BASC through security site surveys, briefings on smuggling trends and techniques and security and drug awareness training.

The primary purpose of LBCIP is to prevent smugglers of illegal drugs from utilizing commercial conveyances for their commodities. Carriers can effectively deter smugglers by enhancing security measures at their place of business and on the conveyances used to transport cargo. By signing agreements with the BCBP, land and rail carriers agree to enhance the security of their facilities and the conveyances they use and agree to cooperate closely with BCBP in identifying and reporting suspected smuggling attempts.

BASC is a business-led, BCBP supported alliance created to combat narcotics smuggling via commercial trade that was formed in March 1996. BASC examines the entire process of manufacturing and shipping merchandise from foreign countries to the United States, emphasizing the creation of a more security-conscious environment at foreign manufacturing plants to eliminate, or at least reduce, product vulnerability to narcotics smuggling. Customs BCBP supports BASC through ACSI, which are teams of BCBP officers that travel to the BASC countries to assist businesses and government in developing security programs and initiatives that safeguard legitimate shipments from being used to smuggle narcotics and implements of terrorism.

Question. What plans do you have to increase cooperation with the Mexican government on border issues?

Answer. Under the C-TPAT programs consisting of the Americas Counter Smuggling Initiative (ACSI), and the Business Anti-Smuggling Coalition (BASC), BCBP is engaging the Mexican trade community and Mexican Customs in a cooperative relationship against the smuggling of drugs and implements of terror. Meetings have been held with Mexican Customs through a bilateral U.S.-Mexican Government Working Group. Through this working group, the United States and Mexico can work jointly through these programs to establish a secure supply chain between our countries, while facilitating cross border trade. BCBP is also working with Mexican Customs to identify what areas in Mexico should be targeted for the establishment of new BASC chapters.

Under the high-level United States and Mexico Customs Bilateral Working Group, a demonstration project to test a fast and secure lane at El Paso is underway. This bilateral program is designed to expedite and facilitate commercial truck crossings at the Ports of Entry (POEs) by implementing the mandated requirements of securing the flow of people, transportation, and goods under a secure infrastructure. This program is aimed at facilitating cross border trade, while improving and ensuring the supply chain security of the participants that range from manufacturing, to transportation, to importation.

BCBP has two ACSI teams traveling throughout Mexico to work with the BASC Chapters in Monterrey, Ciudad Juarez and Mexico City to prevent drug smugglers and elements of terrorism from using legitimate cargo to enter their illegal merchandise into the U.S. BASC, which was initiated in March 1996, continues to be a private sector business-led, BCBP supported alliance under C-TPAT that complements and enhances our efforts to secure the supply chain. C-TPAT is an anti-terrorism response to the events of September 11, 2001 which engages the trade community in a cooperative relationship with BCBP in the war against terrorism. C-TPAT will work with foreign manufacturers, exporters, carriers, importers and other industry sectors emphasizing a seamless, security conscious environment throughout the entire commercial process.

#### UNMANNED AERIAL VEHICLES AT THE LAS CRUCES, NEW MEXICO INTERNATIONAL AIRPORT

Question. I was pleased to learn of Secretary Ridge's interest in using unmanned aerial vehicles (UAVs) for improved surveillance along our Nation's borders. I strongly support such action to improve our Nation's ability to patrol our borders, particularly in less-populated areas. Southern New Mexico is already the site of ongoing UAV flights out of the Las Cruces International Airport. This airport is the headquarters of New Mexico's emerging UAV Center of Excellence, the

newly formed joint regional UAV Systems and Operations Validation Facility (USOVF), a partnership between the 46th Test Group at Holloman Air Force Base and the Physical Science Laboratory of New Mexico State University. The USOVF is pre-approved by the Federal Aviation Administration for file and fly in a regional flight area of 300,000 square miles in the western United States. The Las Cruces International Airport is situated less than 40 miles from the U.S.-Mexico border, and in a central location among U.S. border states. What do you anticipate will be the size and scope of the Department of Homeland Security's deployment of UAV's on our borders?

Answer. BTS has asked the Science and Technology Directorate to evaluate the use of UAVs in a Border and Transportation Security environment. S&T was also asked to evaluate other potential applications.

Question. What funding and facilities will the Department need for a UAV program?

Answer. Until the requirements have been scoped to determine the feasibility and extent of a UAV program, we cannot predict what amount of funding and the type of facilities the Department will need to implement a UAV program.

Question. On what timeline will the Department implement this initiative?

Answer. At this time, it is unknown what the timeline will be for the Department to implement this type of initiative. A proposed project plan including milestones and deliverables is expected to be ready for review by June 2003. The project plan will discuss the BTS-specific project as well as strategies in developing UAV initiatives in the near, mid, and long term for DHS venues such as borders and ports.

Question. Based upon the characteristics of the Las Cruces, New Mexico International Airport, could you provide an assessment of its potential for utilization by the Department of Homeland Security for serving as a platform for the deployment of UAV's for Homeland Security purposes?

Answer. Based upon the description of the Las Cruces, New Mexico International Airport, the facility appears to have potential for serving as a platform for UAV deployment for Homeland Security purposes. After UAV program feasibility, requirements and scope is determined a more detailed assessment on available testing and deployment facilities needs to be made.

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#### Questions Submitted by Senator Mitch McConnell

Question. In your testimony, you mentioned the significant success of the Container Security Initiative ('`CSI'') in helping to eliminate the threat of terrorist attacks by means of oceangoing sea containers. Will the CSI also help in the detection of items such as illicit drugs and counterfeit merchandise in addition to cargo that could be a potential terrorist threat?

Answer. BCBP screens the data and information for all cargo containers arriving in the United States each year; and closely scrutinizes and examines all shipments identified as high risk. BCBP has developed a multi-layered process to target high-risk shipments while simultaneously facilitating legitimate trade and cargo.

Our multi-layered approach involves electronic manifest information, partnerships, Automated Targeting System (ATS), the human

factor, and non-intrusive inspection technology.

The BCBP goal is not to search a specific percentage of cargo. BCBP thoroughly screens and ultimately examines 100 percent of shipments that pose a risk to our country.

Question. Do changes in the Homeland Security Advisory System Threat Level have an effect on the BCBP's mission priorities? If so, what effect do threat level changes have on the BCBP's enforcement of intellectual property rights?

Answer. During times of ``ALERT LEVEL ORANGE'' or greater BCBP's main focus of operation will be that of detection and interdiction of terrorist entities and weapons of mass destruction. However, the BCBP continues to work hard on its other key mission priorities that include but are not limited to matters relative to intellectual property rights. The interdiction of counterfeit goods remains one of six priority trade areas for BCBP. The Bureau of Customs and Border Protection and the Bureau of Immigration and Customs Enforcement continue our collaborative efforts of detection, interdiction and investigation of counterfeit goods. Through the collective efforts of employees at over 300 ports of entry, BCBP continues to target, intercept and seize shipments of goods that violate U.S. patent and trademark laws and regulations. A multi-disciplined IPR Working Group is currently working to improve the agency's targeting of shipments that may potentially contain counterfeit goods. This will be accomplished by identifying risk factors, focusing on high-risk products and implementing a coordinated targeting initiative of containerized freight to detect, deter and interdict the movement of counterfeit products.

Question. I understand that the former Customs Service has participated in the Treasury Department's Operation Green Quest, which seeks to identify, disrupt, and dismantle the financial sources of terrorist funding. The findings of that investigation indicate that one of the many criminal enterprises used to fund terrorist organizations is the sale of counterfeit merchandise. Could you please describe what information you have about the extent of the connection between intellectual property theft and terrorist financing and what the BCBP is doing to counter this threat?

Answer. Operation Green Quest investigations have revealed that a variety of criminal activities serve as funding sources for various criminal elements, some of which are alleged to have ties to terrorist organizations. Among these are violations of laws protecting intellectual property rights and prohibiting the manufacture, trafficking and sale of counterfeit merchandise. The Bureau of Immigration and Customs Enforcement (BICE) is conducting several on-going investigations involving the use of proceeds derived from the sale and trafficking of counterfeit merchandise, alleged to support designated terrorist organizations. BICE is committed to investigating any violation of Federal law that may be used to fund criminal enterprises.

Question. Some in industry fear that an unintended consequence of merging the Customs Service into the BCBP has been a reduction in the number of inspectors assigned to detect counterfeit merchandise. Have there been reassignments in the BCBP that have diverted personnel from intellectual property enforcement to other functions? If so, how does the BCBP plan to balance its traditional missions, including protecting American businesses from theft of their intellectual property, with the Bureau's primary mission of preventing terrorists and terrorist weapons from entering the United States?

Answer. Yes, there have been some reassignments of personnel due to the Bureau of Customs and Border Protection's new primary mission of preventing terrorists and terrorist weapons from entering the United States. However, BCBP continues to work hard on its other key mission priorities that include but are not limited to matters relative to intellectual property rights. The interdiction of counterfeit goods remains one of six priority trade areas for BCBP. BCBP continues its collaborative efforts of detection, interdiction and investigation of counterfeit goods with BICE.

Through the collective efforts of employees at more than 300 ports of entry, BCBP continues to target, intercept and seize shipments of goods that violate U.S. patent and trademark laws and regulations. A multi-disciplined IPR Working Group is currently working to improve the agency's targeting of shipments that may potentially contain counterfeit goods. This will be accomplished by identifying risk factors, focusing on high-risk products and implementing a coordinated targeting initiative of containerized freight to detect, deter and interdict the movement of counterfeit products.

BCBP anticipates bringing on-board approximately 1,700 new Inspector hires by the end of fiscal year 2003. As these new Inspectors are brought on-board, trained and placed in ports of entry throughout the country they will increase the number of personnel BCBP will have at its disposal to focus on the important mission of counterfeit goods detection and interdiction. Under the IPR Trade Strategic Plan, developed by the former Customs Service's IPR Working Group, BCBP is providing its field personnel with the additional knowledge they require for IPR enforcement through advanced fraud and IPR law, procedures and enforcement training.

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Questions Submitted by Senator Ben Nighthorse Campbell

#### QUALIFIED ANTITERRORISM TECHNOLOGIES

Question. The Homeland Security Act of 2002 (Sections 862) provided the Department of Homeland Security with authority to compile a list of ``qualified antiterrorism technologies'' that would qualify or receive certain protection under that Act. Has this list been compiled? If not, why?

Answer. The list of ``qualified antiterrorism technologies'' has not yet been compiled. The regulations to govern implementation of the SAFETY Act must be completed before the SAFETY Act can be implemented. Promulgation of these regulations is a high priority, and DHS is working with the Office of Management and Budget (OMB) to finalize an initial set of SAFETY Act regulations. We expect to publish these regulations for comment very shortly. Following the public comment period, the regulations will be finalized and issued. As soon as the regulations are issued, applications can be made to DHS for consideration of possible technologies that are determined to meet the criteria set forth in Subtitle G, Sec. 862.

Question. If this list has been compiled, can Members of this Committee get a copy of this list?

Answer. The list of ``qualified antiterrorism technologies'' has not yet been compiled. The regulations to govern implementation of the SAFETY Act must be completed before the SAFETY Act can be implemented. Promulgation of these regulations is a high priority, and DHS is



working with the Office of Management and Budget (OMB) to finalize an initial set of SAFETY Act regulations.

Question. How would a company that has an antiterrorism technology be considered for approval?

Answer. DHS has developed plans for both an immediate implementation path, and for a longer-term ``ideal state'' process, to implement the SAFETY Act. Public notification of the application process and of the select categories of technologies that will be considered for certification will be made through the DHS website after regulations are issued.

Question. Do they need to wait for the rulemaking process to be completed to apply for approval?

Answer. Yes, companies will need to wait until after the rulemaking process has been completed. DHS does not yet have an application or approval process in place. Final application and approval processes are contingent upon issuance of regulations. DHS wants to ensure that applicants are well informed about requirements so that they can make informed decisions regarding submitting their technologies for consideration

Question. If so, when will that process be completed?

Answer. Until DHS and OMB have completed their review and issued guidance for the actual implementation of the SAFETY Act, it is not possible to determine an actual date for completing the process. However, the Department does place a high priority on completing the necessary guidance and regulations and is prepared to act quickly after issuance of the guidance.

#### BORDER SECURITY

Question. This Directorate arguably has one of the toughest jobs in the Department. Ideally, if this Directorate performs its job to perfection, then the concerns of terrorists coming into our country to attack our citizens or our infrastructure are reduced to a great extent. With 7,500 miles of land borders with Canada and Mexico and 95,000 miles of coastline to keep watch over, short of building a large wall around the country, how much success have you had in strengthening our border security?

Answer. The priority mission BCBP is to detect and prevent terrorists and terrorist weapons from entering the United States at and between Ports of Entry (POEs) while simultaneously facilitating legitimate trade and travel.

In order to carry out its priority mission, BCBP has developed and is implementing Smart Border initiatives with other Nations and with the private sector, such as the Container Security Initiative (CSI), the Customs-Trade Partnership Against Terrorism (C-TPAT), NEXUS, and the Free and Secure Trade (FAST) Program, and will continue to push our zone of security outwards.

Our layered inspection process and the components of a Smart Border include:

- Advance electronic information;
- Automated targeting tools;
- Identifying and facilitating low-risk travelers and shipments;
- Non-intrusive inspection technology;
- Industry partnerships;
- Training; and
- Pushing security beyond our borders.

BCBP uses various large-scale, portable and hand-held technologies

in different combinations to substantially increase the likelihood that a nuclear or radiological weapon or weapons grade material will be detected. We have identified and are deploying nuclear and radiological detection equipment to include personal radiation detectors, portal radiation monitors and radiation isotope identifier devices.

In combination with our layered enforcement process, these tools currently provide BCBP with significant capacity to detect nuclear or radiological materials.

Additional initiatives include, but are not limited to:

- Training to further develop a highly skilled and trained workforce;
- Sensors to remotely monitor low volume ports of entry; and
- Exchange of intelligence and information to identify potential nuclear and radiological smuggling threats.

Our goal is to examine 100 percent of all high-risk cargo and conveyances and to screen all high-risk people, cargo and conveyances for radiation.

The Border Patrol, a component of the Bureau of Customs and Border Protection, is responsible for preventing the illegal entry of any persons crossing between the ports of entry along the 8,000 miles of international border with Canada and Mexico. To accomplish this enormous mission, there are currently over 10,000 agents deployed on the border to deter, detect, and apprehend any illegal entrants at the border. These dedicated agents have historically arrested in excess of 1,000,000 illegal entrants annually. In order to improve the enforcement effectiveness of these agents, the use of technology and enhanced detection systems are continuing to be deployed along the border. In addition to the technology, additional border barriers, high intensity lighting units and improved border roads have been used to assist the agents in providing the maximum in border security measures between the ports of entry. The success of these measures has recently lead to reductions in illegal entry arrests along certain major border areas, as well as the continued disruption of organized smuggling efforts on the border.

Question. Are any of these projects visible to our country's citizens to make them feel safer?

Answer. BCBP has developed a multi-layered process to target high-risk shipments while simultaneously facilitating legitimate trade and cargo. Our Smart Border initiatives include components that are invisible to a majority of the traveling public. These include cooperative efforts with other Nations to push security beyond our borders, advance electronic information, automated targeting tools, intelligence and partnering with industry.

Portions of our layered enforcement process are highly visible to the general public. These include our inventory of hand-held, portable and large-scale non-intrusive inspection (NII) technologies deployed to our Nation's air, land and seaports of entry, as well as the additional personnel and canine resources necessary to support the technology.

Many of the Border Patrol's newest assets are visible to the citizens who reside in our many border communities. Those assets include the latest in state of the art helicopters, which frequently patrol over these communities. In addition, there are infrastructure improvements in fencing, checkpoint facilities and expanded canine units for locating persons and contraband hidden in vehicles and train boxcars. Also visible to our citizens is the increase in the number of agents patrolling in marked sedans and four-wheeled drive trucks along the border. In addition, every Border Patrol sector has a community out-reach program to educate and inform the local communities of the

activities of the Border Patrol and to reassure the citizens of the Patrol's efforts in providing security along the border of the country. While many of the assets used by the Border Patrol are not readily visible to the public, such as surveillance and detection equipment, the results of the increased presence of agents along the border continues to be favorably noted by the local media and civic organizations in many border communities.

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#### Questions Submitted by Senator Robert C. Byrd

##### EXPIRATION OF COBRA FEES

Question. The COBRA fees--which fund nearly all overtime for the legacy Customs inspectors among others--expire at the end of this fiscal year. Have you submitted legislation to the appropriate authorizing committees and discussed with them the need for the extension of these fees? Also, what contingency plans, if any, do you have in place to cover the costs of the current COBRA-funded functions should the fees not be extended in time?

Answer. We have briefed both the House Ways and Means Committee and the Senate Finance Committee staffs on the need for an extension of the COBRA fees, and both Committees have developed proposals to extend the fees. The expiration of the COBRA fees will present numerous problems for BCBP, as well as fee paying parties-in-interest. Other existing statutes require that airlines be billed for overtime services and preclearance (19 USC 267 and 31 USC 9701) and that foreign trade zones and bonded warehouses be billed for inspectional and supervision services (19 USC 81n and 19 USC 1555). Other charges, such as fees for reimbursement of compensation of boarding officers under 19 USC 261 will also need to be reinstated. These statutes are held in abeyance while the COBRA fees are in effect (see 19 USC 58c(e)(6)). While the reimbursements from these other statutes would offset some of the losses from the expired COBRA fees, the amounts are not expected to be significant. If the COBRA fees expire, service to international passengers and the trade would need to be reduced to a level commensurate with available funding.

It should also be noted that the failure to reauthorize the fees provided for under the COBRA statute (19 USC 58c) will result in an additional loss in collections of approximately \$1 billion annually. This represents the Merchandise Processing Fees, which are deposited into the General Fund of the Treasury as an offset to the commercial operations portion of the BCBP budget.

legacy customs service and immigration and naturalization service fees

Question. A significant portion of the budgets of the new Bureaus of Customs and Border Protection and Immigration and Customs Enforcement are based on the assumed collection of fees from the legacy Customs Service and Immigration and Naturalization Service. What happens if these fees do not materialize or materialize at levels lower than estimated? How do you intend to bridge that funding gap should one occur?

Answer. If funding shortages occur because of smaller fee receipts, BCBP will adjust the level of inspection services accordingly in order to function within available resources.

##### ANTI-DUMPING AUTHORITY (BICE AND BCBP)

Question. What is the expected cost in fiscal year 2003 of administering the anti-dumping authority in section 754 of the Tariff Act of 1930 (19 USC 1675c)?

Answer. While enforcement of the Tariff Act is a major priority of the BCBP, its efforts to enforce this legislation cut across many different programs and organizations which are concurrently performing a variety of trade compliance functions within BCBP. Therefore, the cost of BCBP's enforcement efforts in this area is not easily tracked or monitored in a way that enables BCBP to provide a quick and easy answer to this question. Ultimately, any answer would be an estimate of BCBP's costs.

#### BUDGET DOCUMENTS

Question. The budget justification documents for BCBP and BICE do not include detailed legacy information on the agencies/accounts broken out in a manner similar to that which used to be provided by the former Customs Service. Was information provided to the Department by the former Customs Service staff prepared in that format? Please provide the Subcommittee with a copy of that submission to assist us in tracing the budgets from fiscal year 2003 to fiscal year 2004?

Answer. The former Customs Service did not provide a draft of the fiscal year 2004 budget to the Department in its traditional format.

#### DHS FIRST 100 DAYS

Question. Secretary Ridge noted in his list of the Department's accomplishments for the 1st 100 days that BCBP had ``acquired and deployed additional ``A-STAR'' and ``HUEY'' helicopters to bolster enforcement efforts along the U.S. Southern border''. With what fiscal year funds were these aircraft purchased? Are other rotary or fixed-wing aircraft in the procurement pipeline? If so, where is their planned deployment?

Answer. The purchase of the additional `A-STAR' helicopters was made in fiscal year 2002 with funding received from counter-terrorism supplemental appropriations in that year. The `HUEY' helicopters were obtained through the military on-loan program for special operations and tactical training requiring the mission capabilities of that aircraft. The deployment of the `HUEY' helicopters to bolster border enforcement operations occurred in fiscal year 2002.

#### AQI FUMIGATION INVESTIGATION

Question. The Agriculture Department's Animal and Plant Health Inspection Service--Agriculture Quarantine Inspection (AQI) program was transferred by law to the Department of Homeland Security. However, the investigators who follow-up, review and investigate the importation of prohibited goods from prohibited countries remain part of the Agriculture Department. Similarly, the personnel responsible for fumigation, following the discovery of pests, remain at USDA. Does this make sense? Is the Administration considering a legislative fix to correct this contradiction?

Answer. The separation of mutually dependent program functions, such as the USDA investigators and personnel responsible for fumigation, from the AQI program transferred to the DHS is problematic and requires high levels of cooperation, communication, and

coordination at multiple levels. To facilitate this, DHS and USDA addressed issues early by including relevant Articles in a Memorandum of Agreement (MOA) required by the Homeland Security Act of 2002. Specifically, there are Articles for separating functions and then coordinating these functions once separated. Further, additional and more specific agreements are necessary and are being developed. The MOA will be periodically reviewed and modified as mutually agreed to by DHS and USDA. Through the MOA and additional, more specific agreements, DHS and USDA will have an opportunity to re-adjust the assignment of program functions and responsibilities to maximize collective ability to carry out respective missions. Program officials from both DHS and USDA are working together to accomplish this. Legislative fixes offer another means to accomplish necessary and beneficial re-adjustments and changes. DHS Agricultural Inspection Policy and Program staff is not currently working on developing legislative fixes.

#### DEPLOYMENT OF RAIL VACIS

Question. I understand that the Department has procured some rail VACIS systems that are awaiting deployment along the Northern Border. How many systems are procured (or are being procured with fiscal year 2003 Omnibus and fiscal year 2003 Supplemental funds) and where are they planned to be deployed? How many rail VACIS systems are provided for in the fiscal year 2004 budget request?

Answer. With budget requests made prior to fiscal year 2003, BCBP procured fourteen rail VACIS systems; however, only five have been installed (all along the Southern Border). The remaining nine rail VACIS systems will be installed later this year at the following locations:

- El Paso (Rail), Texas
- El Paso (Del Norte), Texas
- Calexico (West Rail), California
- Blaine, Washington
- International Falls, Minnesota
- Portal, North Dakota
- Buffalo, New York
- Noyes (#1), Minnesota
- Noyes (#2), Minnesota

BCBP is procuring five additional rail VACIS systems with the fiscal year 2003 Omnibus and fiscal year 2003 Supplemental funds. All five of these rail VACIS systems will be installed along the Northern Border. These rail VACIS systems will be deployed at the following Northern Border locations:

- Eastport, Idaho
- Walkersville, Canada (Detroit, Michigan)
- Rouses Point, New York (Champlain)
- Sarnia #2, Canada (Port Huron, Michigan)
- Sarnia #1, Canada (Port Huron, Michigan)

While no rail VACIS systems are scheduled for procurement via the fiscal year 2004 budget request, fourteen additional rail VACIS systems are planned for future deployment along the Northern Border pending available funding.

#### INSPECTION PERSONNEL

Question. The President's fiscal year 2004 budget proposal for the Bureau for Customs and Border Protection (BCBP) is \$5.6 billion. How

many new inspection personnel are requested within the President's Budget?

Answer. BCBP has requested 1,142 inspection personnel FTE in the fiscal year 2004 President's Budget.

Question. How many new Customs inspectors have been added (net) since September 11, 2001? How much increased border and port coverage have they provided?

Answer. From September 11, 2001, to May 3, 2003, the number of Inspectors and Canine Enforcement Officers on-board and stationed at ports of entry increased by 1,380 (+1,310 Inspectors and +70 Canine Enforcement Officers), increasing the overall port coverage by 16.9 percent.

Question. We have heard reports that many of the new hires are being assigned to work in place of senior inspectors, rather than to augment and increase border coverage across the country. Is this correct? If so, why are you deploying relatively inexperienced personnel at critical locations across the country?

Answer. New hires are not being assigned to work in place of senior inspectors. New resources are being placed strategically to increase border coverage, meet workload demands and increase the utilization of technology. New hires work side-by-side with the more seasoned inspectors and receive formal, intensive training on all aspects of the position prior to being allowed to work independently. Additionally, management oversight is provided for each and every inspector.

#### STAFFING INCREASES

Question. The USA PATRIOT Act authorized a tripling of legacy Customs and Immigration staffing at our Nation's borders. Since passage of the Act, how many new personnel have been brought on board and how close have these hires come in meeting the authorization goal?

Answer. As of May 1, 2003, the Bureau of Customs and Border Protection had 2,563 Inspectors and Canine Enforcement Officers (CEOs) stationed at Northern Border Ports of Entry (POEs). This is an increase of 58.7 percent since September 11, 2001, at which time the agencies had 1,615 Inspectors and CEOs stationed at Northern Border Ports of Entry.

#### IT TRANSFORMATION TO HOMELAND SECURITY FUND

Question. I note that \$30.21 million is proposed in the fiscal year 2004 budget request for a fund for Information Technology Transformation for the new Department. Is this in essence a working capital fund? Are all DHS agencies contributing to it? If so, in what proportion? How was that level of contributed funding determined? What was the methodology used?

Answer. The Information Technology Transformation to Homeland Security Fund is not a working capital fund. These appropriated funds will be used to extend the BCBP enterprise architecture to provide expanded access to Information Technology (IT) capabilities in support of the Homeland Security mission and to address IT compatibility and interoperability issues that arise during the transition including, but not limited to, mission systems, electronic mail, networks, collaborative tools, and administrative capabilities. It is imperative that IT operability remains stable in order to efficiently meet Customs and Border Protection (BCBP) mission requirements.

## NEW TECHNOLOGY

Question. Compromise is not an option when providing for the security of our Nation's ports and borders. With the advent of a new era where we must be on guard for car and truck bombs, weapons smuggling, and radiological and biological threats, it is imperative that we set a high standard of threat assessment, detection, and prevention. Following the terrorist attacks of September 11, has BCBP increased the threat detection standards for security at our ports and borders, and if so, what new technologies are you using and how have they improved security?

Answer. The priority mission of the Bureau of Customs and Border Protection (BCBP) is to detect and prevent terrorists and terrorist weapons from entering the United States at and between ports of entry while simultaneously facilitating legitimate trade and travel.

In order to carry out its priority mission, BCBP has developed and is implementing Smart Border initiatives with other nations and with the private sector, such as the Container Security Initiative (CSI), the Customs-Trade Partnership Against Terrorism (C-TPAT), NEXUS, and the Free and Secure Trade (FAST) Program that will continue to push our zone of security outwards.

Our layered inspection process and the components of a Smart Border include:

- Advance electronic information;
- Automated targeting tools;
- Identifying and facilitating low-risk travelers and shipments;
- Non-intrusive inspection technology;
- Industry partnerships;
- Training; and
- Pushing security beyond our borders.

BCBP uses various large-scale, portable and hand-held technologies in different combinations to substantially increase the likelihood that a nuclear or radiological weapon or weapons grade material will be detected. We have identified and are deploying nuclear and radiological detection equipment to include personal radiation detectors, portal radiation monitors and radiation isotope identifier devices.

In combination with our layered enforcement process, these tools currently provide BCBP with significant capacity to detect nuclear or radiological materials.

## LEGACY CUSTOMS AIR-MARINE PROGRAM

Question. I understand that while the legacy Customs Air-Marine program has been transferred to the Bureau of Immigration and Customs Enforcement, your Bureau retains certain responsibility for parts of the program. Please explain how this has been divided.

Answer. The Air and Marine Interdiction budget was deliberately placed in BICE. Some of the reasons for this decision are:

Air and Marine staff and capital assets are deployed primarily for interdiction. The principal goals of interdiction are to enhance the BICE investigative process to prevent terrorist activity and to further investigations of major smuggling operations whether they be drug, alien, or terrorist in nature.

As a key part of the BICE integration of the immigration and customs enforcement mission with other Federal agencies, OAMI will support investigative processes at Coast Guard, Secret Service, Emergency Management, TSA, and FPS. OAMI will support investigative

processes at non-DHS agencies from DEA to FBI.

The use of OAMI mission and assets must be closely connected to the BICE intelligence mission and operations to be effective. It is this connection that ensures that the limited air and marine assets are effectively deployed to specific targets over a vast sea or border resulting in maximum deterrence capability. BICE intelligence based operations must be the lynchpin of OAMI strategy.

Operationally, OAMI is more identified with investigations than inspections or surveillance activity. OAMI has historically reported through the investigations division of Customs. In fiscal year 2002, approximately 60 percent of OAMI flight hours supported customs enforcement. With the integration of customs and immigration enforcement, we estimate that more than 80 percent of OAMI operational flight hours will directly support BICE investigations, foreign operations, border and maritime patrols. The remaining 20 percent will support transportation of people and assets, as well as training and maintenance, and other customers for support flights.

Based upon the above factors, placement of OAMI within BICE accomplishes the objectives of intelligence-based operations; more effective support of DHS and inter-agency law enforcement missions; and furtherance of investigations of terrorists and other crime syndicates. Air and Marine support of border protection functions will continue under this placement and will be formalized in an upcoming management directive. The proper placement of all our programs remains subject to periodic review.

#### BORDER PATROL AIRWING

Question. Your Bureau now includes all Border Patrol air assets. Please provide the Subcommittee with a breakout of the Border Patrol air assets and where they are located. Are any funds requested in the fiscal year 2004 budget for new aircraft? If not, what is the base level of funding in the budget for operation and maintenance of the existing assets?

Answer. The BCBP/Border Patrol air wing has 111 aircraft (78 Helicopters and 33 Fixed-wing) dedicated to patrolling the northern and southern border. Border Patrol aircraft are stationed at all Border Patrol sectors on the northern border, southern border, and Puerto Rico. There are no funds requested in the fiscal year 2004 budget for new aircraft. The base level of funding in fiscal year 2003 for operation and maintenance of aircraft is \$21,491,000.

#### ADJUSTMENTS TO THE FISCAL YEAR 2004 BUDGET REQUEST

Question. The fiscal year 2004 BCBP budget request includes reductions totaling over \$301 million for ``Non-recurring costs for fiscal year 2003 Initiatives'' and ``Adjustments for discontinuing Low-Value Efforts''. Please break out in detail the specific, one-time fiscal year 2003 costs for non-recurring initial equipment costs and other items that you are reducing to achieve these savings.

Answer. The following chart details the one-time fiscal year 2003 non-recurring initial equipment costs and discontinued low-value efforts that achieve savings:

NON-RECURRING COSTS	AMOUNT
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Construction.....	\$145,000,000
Border Patrol Transfer Costs.....	25,000,000
Northern Border Hardening Equipment.....	28,798,000
Northern Border NEXUS Equipment.....	4,760,000
Northern Border NII Technology.....	12,759,000
Immigration Fees.....	9,107,000
Maritime Port Security NII Technology.....	25,481,000
Security Infrastructure Technology.....	11,454,000
Helicopters.....	8,000,000
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TOTAL NON-RECURRING COSTS.....	270,359,000
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During the fiscal year 2004 budget formulation process, the Bureau of Customs and Border Protection identified \$31,540,000 in savings. These savings were realized by activities such as reforming and simplifying the Drawback process, redirecting field analyst specialist positions to border security, and realigning resources that support the Trade community. In addition, other program areas where savings were realized include the Intern Program, Labor and Employee Relations, Mandatory Fitness Program, Customs Health Enhancement Program, redistribution and cross servicing of field work, and the processing of anti-dumping/countervailing and harbor maintenance fee refunds.

#### PRIVATE MAIL RADIATION DETECTION EQUIPMENT

Question. The Department has provided its employees who inspect U.S. Postal Service mail with radiation detection equipment. Does it also provide similar equipment for employees who inspect United Parcel Service and FedEx mail? If not, why not? Is there a plan to provide this equipment in the future?

Answer. The Bureau of Customs and Border Protection (BCBP) personnel are equipped with radiation detection devices at FedEx and United Parcel Service (UPS) facilities. At the present time BCBP personnel use both Personal Radiation Detectors (PRD) and Radiation Isotope Identification Devices to screen cargo at both FedEx and UPS facilities.

Both UPS and FedEx are in the process of procuring and installing company owned radiation detection devices at overseas locations. Once completely installed this equipment will allow these companies to screen all incoming cargo and parcels before entering the commerce of the United States. Both companies will be relying on several types of equipment, such as Hand-Held Devices and Radiation Portal Monitors, at their overseas facilities. The types of radiation screening devices used will depend on the size of the facility and amount of cargo screened.

#### ALTERNATIVE SHOULDER HOLSTERS

Question. Recently, the Bureau of Customs and Border Protection informed the employee representatives of Customs personnel (the National Treasury Employees Union) that the Department would no longer allow employees to use ``alternative firearms holsters'' as long as they are properly trained in the use of the holster. By and large, ``alternative firearms holsters'' have been used by women in the late stages of pregnancy. The shoulder holster enables them to continue to carry a firearm in the performance of their work. It seems that this 12

year old alternative holster provision has provided a reasonable accommodation between the needs of the legacy Customs Service and the interests of women who desire to continue working while pregnant. Why has Department decided to not continue the use of the alternative shoulder holster for pregnant legacy Customs personnel?

Answer. A single request was made through the Office of Field Operations (OFO) for an alternate firearms holster accommodation on May 24, 2002. This request was forwarded to the Firearms and Tactical Training Division (FTTD). The FTTD conducted an evaluation of the Safariland model 1060 shoulder holster that was named in the request to determine its suitability for use by pregnant OFO uniformed personnel. The primary evaluation criteria used to determine suitability was safety and feasibility.

There were numerous safety and training issues related to the shoulder holster. The shoulder holster is designed for the concealed carrying of firearms, and does not possess retention characteristics needed for officer safety for exposed carry. The weapon's grip is presented toward the front making it readily accessible to a subject during a physical confrontation, and the retention devices on this holster are easy to defeat. Also, the shoulder holster would not be feasible for wear with the authorized maternity uniforms such as class seven (7) maternity shirts and trousers, and the class seven (7) maternity jumper. This is because the suspender type clips could not be fastened to the belt or pants as the belt or pants would be under the maternity shirt.

The FTTD concluded that given the inherent risks and difficulties associated with the use of this type of holster, they did not recommend the use of it for OFO officers in uniform with close interaction with the public.

#### TRANSFER OF FUNDS

Question. Has BCBP been required to transfer any funds to the Department? If so, how much and for what purposes? Are any future transfers to the Department anticipated?

Answer. Yes, BCBP has transferred funds to the Department. BCBP transferred \$30 million to DHS for start-up costs. We anticipate two future transfers to DHS as follows: \$900,000 for Departmental enterprise architecture and \$21 million to assist with the Transportation Security Administration shortfall.

#### PERSONNEL ISSUES

Question. The Department of Homeland Security has created a separation between Customs Agents and Inspectors who work at various ports of entry. Is there a plan in place for continuing the relationship between Inspectors and Agents? Will Agents continue to respond directly to airport seizures and arrests? Will the new reporting requirements hinder investigative and enforcement activity?

Answer. Although the Department of Homeland Security created a separation between Agent and Inspector, the working relationship remains strong between BCBP and BICE and enforcement actions are being coordinated. Additionally, BCBP inherited the Senior Inspector Program. The Senior Inspector position was created for high-risk ports of entry to be responsible for the enforcement of the Immigration and Nationality Act and other criminal statutes by identifying, investigating, apprehending, and prosecuting persons who attempt and

abet illegal entry into the United States. BCBP plans to maintain the Senior Inspector program to assist in meeting the challenges of coordinating the enforcement functions of three formerly distinct agencies, but BCBP will continue to refer customs-related investigations and arrests to ensure no disruption of enforcement and investigative activity.

Question. I understand that the legacy Customs Special Agents who formerly conducted criminal investigations in the Internal Affairs (IA) Division, have also been transferred to ICE. Who will now conduct those investigations? Will this merger inhibit the response to internal affairs investigative matters? Are you concerned about the loss of this investigative expertise which has been used to ``clean up'' past corruption problems within the former Customs Service?

Answer. The Inspector General of the Department of Homeland Security will be responsible for coordinating all investigations. Integrity has always been a cornerstone of the legacy BCBP organizations and will continue to be one in the future.

#### ENTRY-EXIT VISA TRACKING SYSTEM

Question. The vast majority of the \$480 million in funds for the ``entry-exit'' system are proposed as part of the CBP budget request. It is my understanding, however, that you are not the bureau in charge of designing and implementing the system. Why? Which Bureau is supposed to be in charge of designing and implementing the program?

Answer. The Undersecretary of the Border and Transportation Security has determined that the design and implementation of the ``entry-exit'' system will be managed at his level.

#### SECURITY DETAIL

Question. Given your past positions in government, as well as your heading up the agency most closely involved in tracking and stopping narco-terrorists, do you have a security detail? If not, why not? Has a threat assessment been done to determine whether you or other agency heads at your level require security details?

Answer. The Commissioner does not now have a security detail. Regular risk assessments are conducted to determine if a security detail is required.

#### NATIONAL GUARD

Question. The National Guard has played a critical role in assisting the former Customs Service in inspection activities at our borders--including inspecting shipping containers and operating VACIS equipment. This role has continued with the transformation to the new Department, however, I am concerned about reports that the Guard may soon cease its operations in this regard. What is the status of National Guard cooperation with your Bureau? Will they continue to assist the Bureau with inspection activities and, if so, for how long? Has the Defense Department attempted to curtail the Guard's role with the Bureau?

Answer. In September 2002, the Department of Defense (DOD) officially informed the U.S. Customs Service, now Bureau of Customs and Border Protection (BCBP), that they would discontinue funding National Guard counternarcotics support of BCBP's Cargo and Mail Inspection operations (the only BCBP operations supported by National Guard

soldiers) effective September 30, 2003. DOD subsequently changed this date to September 30, 2004. The reason for discontinuing the National Guard support, as stated by DOD officials, is that they wish to phase out all National Guard counternarcotics support that does not require unique military skills.

As a result of the September 2002 notification, aggressive hiring strategies that will offset any negative impact of losing the support of the National Guard were implemented. Through regular appropriations, supplemental funding and an overall increase in our Inspector corps as a result of the March 1, 2003 transition to BCBP, our agency is prepared to do without National Guard support beginning October 1, 2004.

#### PERSONNEL BREAKOUT

Question. In your testimony at the hearing you stated that the Bureau was requesting funds for 41,000 FTE for fiscal year 2004. You also said that on March 1 approximately 6,000 legacy INS, 3,000 legacy APHIS and 11,000 Border Patrol personnel were incorporated into the new BCBP. Please provide the subcommittee with a breakdown for fiscal year 2002-2004 of the approximate 41,000 FTE requested by function--both in a comparable breakdown from the legacy agencies as well as by current function (i.e. inspection activity, Border Patrol, etc.)

Answer. The fiscal year 2004 President's Budget requests funding for the Department consistent with the enacted Homeland Security Act.

#### BUREAU OF CUSTOMS AND BORDER PROTECTION INSPECTIONAL PERSONNEL FTE

	Inspectional FTE Authorized in fiscal year 2003	Insp FTE on Sept
Direct Appropriation.....	19,780	
Reimbursable.....	1,664	
TOTAL.....	21,444	

#### BUREAU OF CUSTOMS AND BORDER PROTECTION IMPORT AND ENTRY/LIQUIDATION PERSONNEL FTE

	Import and Entry/ Liquidation FTE Authorized in fiscal year 2003	Imp E Liq FTE on Sept
Direct Appropriation.....	1,570	
Reimbursable.....	39	
TOTAL.....	1,609	

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BUREAU OF CUSTOMS AND BORDER PROTECTION INTELLIGENCE ANALYSTS FTE

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	Intelligence Analyst FTE Authorized in fiscal year 2003	Inte Ana Exp Sept
Direct Appropriation.....	51	
Reimbursable.....	7	
	<hr/>	
TOTAL.....	58	

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BUREAU OF CUSTOMS AND BORDER PROTECTION COMPUTER SPECIALIST FTE

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	Computer Specialist FTE Authorized in fiscal year 2003	Co Speci Exp Sept
Direct Appropriation.....	298	
Reimbursable.....	6	
	<hr/>	
TOTAL.....	304	

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BUREAU OF CUSTOMS AND BORDER PROTECTION ADMINISTRATIVE AND OPERATIONAL SUPPORT FTE

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	Administrative and Operational Support FTE Authorized in fiscal year 2003	Admin Ope Sup Exp Sept
Direct Appropriation.....	5,225	
Customs Reimbursable.....	116	
	<hr/>	
TOTAL.....	5,341	

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INS CONSTRUCTION BACKLOG

Question. In your April 30 letter to me regarding the deployment of 570 additional Border Patrol agents at our nation's borders, you stated that the fiscal year 2004 budget request pending before the Congress does not request ``new enhancement construction funds''. You further state that, ``Additional requirements related to construction projects for the Border Patrol will be addressed in future budget cycles''.

On May 14, 2002, the President signed the Enhanced Border Security Act of 2002, authorizing significant improvements in our efforts to secure our borders. However, a congressionally mandated June 2000 study of our land border ports included a list of 822 projects totaling \$784 million. These projects ranged from overloaded electrical outlets at facilities built in the 1930s which are not equipped to accommodate 21st century computers to a border station in Maine that is literally a trailer.

Commissioner Bonner, the lack of funding for construction projects along the border deeply troubles me. Significant expansion of our border facilities is anticipated to meet the requirements and deadlines specified in the former ``entry-exit'' program. How can we meet these deadlines if the Administration does not request the funds to do so? Without these funds, how can you be successful? The bulk of the funding of this system resides within your Bureau. Do I have your assurance that the Department will meet the December 2003 deadline?

Answer. Secretary Ridge recently outlined the Department's plan to create a new entry-exit system backed by 21st century technology called the U.S. Visitor and Immigrant Status Indication Technology system (U.S. VISIT). U.S. VISIT is a critical new border security and enforcement tool that will capture point of entry and exit information on visitors. U.S. VISIT is designed to make entering the United States easier for legitimate tourists, students and business travelers, while making it more difficult to enter the U.S. illegally through the implementation of biometrically authenticated documents. Development and deployment of this system will be coordinated by the Undersecretary for Border and Transportation Security. The system will be in its first phase of operation at international air and sea ports of entry by the end of 2003.

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Questions Submitted by Senator Patrick J. Leahy

Question. Many former Customs and INS employees in Vermont and throughout the nation remain in a state of limbo, awaiting information about how their old agencies will be restructured and what it means for them. I think that they would appreciate hearing your perspective as to how the combination of your old agency with the INS and numerous other agencies is progressing. First, how would you describe the progress that has been made in creating the Bureau of Immigration and Customs Enforcement? What has been the most difficult aspect? How will the command structure differ from the framework that Customs used?

Answer. The command structure of the Bureau of Immigration and Customs Enforcement is being determined by Michael Garcia, Assistant Secretary of the Bureau of Immigration and Customs Enforcement, in conjunction with the Undersecretary of Border and Transportation Security and Secretary Ridge.

Question. Second, can you give the Committee your impressions about the process of integrating the old INS, Customs, and other agencies into the Bureau of Customs and Border Protection? What has been the

most difficult aspect there?

Answer. BCBP is in the process of conducting both a merger and a divestiture of agencies and functions. This process is going well, employee morale is high, efficiency has increased and we have established a single chain of command to the port of entry level. As in any endeavor of this magnitude, the most difficult challenge is answering our employees questions and providing them with information at the appropriate time.

Question. Third, in either bureau, where the old agencies bring overlapping personnel, such as administrative support staff, how is that being handled? Where INS and Customs personnel were performing the same task before March 1, what criteria do you think should be used to determine who should perform that task now?

Answer. BCBP and BICE are working together to determine where common services can be shared in the future. We believe that there are opportunities to accomplish this.

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#### Questions Submitted to the Transportation Security Administration

##### Questions Submitted by Senator Thad Cochran

##### PERSONNEL CUTBACKS

Question. On April 30, TSA announced the reduction of 6,000 airport screeners--3,000 by May 2003 and another 3,000 by the end of fiscal year 2003--as the Transportation Security Administration works to realign the screener workforce and to bring its budget into line. How will the reduction of screeners affect security? Does TSA have, or will it conduct, any assessment of current screening needs to verify that these reduced levels are appropriate?

Answer. There will be no effect on security. TSA is working to optimize both its scheduling, utilizing a mix of full and part-time employees. TSA used several staffing models to meet the requirements of standing up the organization by late 2002. In early 2003, under the mandate of Congress, TSA developed an expedited Phase 1 Reduction Methodology which enabled us to start the reduction process as fast as possible. A second phase modeling methodology, which takes into account essentially all of the variables, is in process and scheduled for completion in early June. This second phase modeling effort assesses current needs to verify the reduction plans.

Question. What analysis was initially conducted on what the needs would be for aviation security prior to the hiring of the screeners, and what did this analysis show, including the number of full-time and part-time screener positions that would be required?

Answer. The initial analysis of screener requirements was based on TSA's assessment of the work requirements at each passenger-screening checkpoint. As the recruiting, hiring, and deployment process unfolded, TSA made adjustments to the number of screeners required to provide the necessary level of security at each airport. Although the initial workforce requirements analysis was based on a desire to create a workforce consisting of both full-time and part-time employees, initially TSA encountered a very low interest in part-time applications. As a result, TSA hired a preponderance of full-time employees to meet the level of security required at each airport, as well as to meet the ATSA-mandated screener deployment dates for the

fully federalized screener workforce. TSA believes that making effective use of part-time screening personnel is in the best interest of both security and the taxpayer. Most airports have a peak time, or several peak times, during which a screening presence is needed beyond the normal throughput. The ability to use part-time or split-shift personnel during these focused periods is a policy with significant possibilities. With the implementation of improved scheduling tools, TSA expects to be able to optimize the workforce with the appropriate mix of full-time, part-time and split-shift personnel to better match travel patterns.

Question. What other components are being considered to meet the budget requirements?

Answer. All programs within TSA continue to undergo constant scrutiny and monitoring in order to align scarce resources to the highest priorities and realign anticipated availability to other underfunded requirements.

Question. What will be the amount of the projected savings in fiscal year 2003 from the reduction of screeners?

Answer. TSA's anticipated fiscal year 2003 savings is \$32 million as a result of the reduction in screeners.

Question. Concerns have been raised that in the rush to meet the statutory deadline of November 19, 2002, for the deployment of Federal screeners at all of the Nation's airports that all of the screeners hired did not receive a full background check, including a criminal history record check. Can you say for certain that all of the screeners working in the Nation's airports have received a full background check?

Answer. More than 98 percent of TSA's current screener workforce has received, at a minimum, a fingerprint-based FBI criminal history records check. In addition, more than 98 percent of the current workforce has undergone the first phase of the ChoicePoint check, which includes a search of public records for an applicant's criminal history, credit history, and potential links to terrorist activity. This check exceeds what is required for nearly every Federal employee to begin working.

Question. Can you describe to the Committee the process of deciding which airports would lose screeners, which airports would receive additional screeners, and which airports would not be affected?

Answer. The methodology used in the first round of modeling consisted of applying a standard screening model applied to the number of screening points within a given airport. The model considered the number of screening lanes, and the presence of selectee checkpoint screening. Based on the model results, each airport requirement was compared with the screener population and the gain or loss was determined.

As the process moves forward, TSA is inviting Federal Security Directors, community and airport leaders, and others to provide feedback in the form of airport specific information or other factors that are expected to drive TSA's upcoming refinement process. TSA will evaluate all the newly obtained information and will refine the preliminary numbers using this information and originating passenger data to arrive at a more accurate reflection of the staffing needs at all airports. We will keep you apprised of the results of our on-going process to provide efficient, effective screening.

Question. How can an airport negotiate with TSA if it is believed that too many screeners have been cut and will affect the airport's ability to provide an adequate amount of security? Is there an appeals process that an airport can submit to?



Answer. The airports and Federal Security Directors have been encouraged to highlight unique characteristics of their airports to the staffing team within TSA. This team consists of industrial engineers and senior management within Aviation Operations. Each appeal is carefully considered and the data provided, validated, is used to accomplish the final modeling. Specific information on enplanements is a major consideration in this modeling.

Question. A concern among some of the smaller airports is that the classification of airports that determines the number of passengers handled annually has not been accurately assessed and therefore is losing screeners because of it. Will TSA conduct assessments of airports to determine that they are categorized correctly?

Answer. TSA has just completed a preliminary re-categorization of all federalized airports. This effort has resulted in several proposed category changes that will affect the final screener allocation.

Question. If an airport can accurately document that it has not been categorized correctly how steps can be taken to appeal?

Answer. TSA welcomes any information that affects the categorization of a specific airport. The passenger origination and enplanements information is particularly important and is compared with DOT statistics to determine the validity of the claim.

#### TSA: INCREASED THREAT LEVEL

Question. When the National Threat Level is raised, as it was before the beginning of Operation Iraqi Freedom from ``Yellow'' to ``Orange'', new security directives are issued to airlines and airports, such as random vehicle inspections, more stringent identification checks, and increased canine patrols to lessen the chance of any terrorist incidents. There have been concerns that enough guidance has not been given to airport managers to implement increased security when the terrorist threat level is raised. How does the Transportation Security Administration share threat information, not only with airports but also with port security managers, when an increase in security is necessary?

Answer. The Transportation Security Intelligence Service has the ability to tailor dissemination based on the nature of the threat. Such information can be disseminated to a small, focused group of recipients if the threat is specific to a particular transportation asset or facility, or it can be provided to a wider audience if the threat could impact multiple transportation modes or modal interests.

Information can be disseminated in the following manner:

- Information Circulars (IC) inform the various modes (aviation, surface a/or maritime) of threat information and provide an analytical perspective regarding the credibility, timing, location and other available information.
- Security Directives (SD) issued by TSA operations policy, direct air carriers and airports to take specific action designed to counter a known threat. Such threat information is provided by TSA Intelligence. TSA is currently reviewing the efficacy of issuing SDs for other modes at appropriate times.
- Intelligence Notes
- Response to Request for Information (RFI)
- Telephone briefings may be conducted in situations where time is of the essence or where the threat is very narrowly focused to a particular carrier or geographic location.
- E-mail Fax notification messages

--Automated Message Handling System (AMHS)

--Recipients include, among others, DHS Homeland Security Center, DHS Information Analysis and Infrastructure Protection, TSA Federal Security Directors, TSA Area Representatives at overseas locations, Federal Air Marshals Service, FAA, DOT, U.S. Coast Guard, as well as stakeholders and other elements of the aviation and maritime communities.

Question. Is there a certain procedural checklist to follow in order to make sure all possible security precautions have been implemented?

Answer. Each airport has a detailed security plan and its own checklist in accordance with its security plan. Specifically how a particular airport does this is dependent upon local conditions. The directives from TSA are in the context of these plans and current operations and are straightforward and easy to understand. TSA relies on Federal Security Directors (FSDs) to coordinate with airport authorities and to verify and report on airports' compliance with TSA directives.

Question. Will the Transportation Security Administration reimburse airports and others for meeting additional requirements such as conducting random vehicle searches?

Answer. TSA views airport security as a partnership between all stakeholders at the airport, including the airport authorities. TSA also believes that a true partnership implies shared responsibility for expenses. TSA continues to work closely with its aviation stakeholders in determining which specific types of safeguards are feasible and appropriate at each threat level. However, TSA is not planning on using its resources to reimburse airports for these costs.

Question. Have you developed plans for what happens at airports if the threat level is elevated to ``Red?'' Will this result in the grounding of airliners?

Answer. Yes. The specific actions to be taken in any increase or decrease of threat level are considered Sensitive Security Information (SSI) at the minimum. A specific threat may elevate that information to the Secret level. Without speaking to all actions that may be taken under increased security, there are many steps that can be taken prior to stopping air commerce. Each step will be threat based and risk managed to determine a level of security appropriate to the threat environment.

#### ROLE WITHIN DEPARTMENT OF HOMELAND SECURITY

Question. The Homeland Security Act of 2002 requires the Transportation Security Administration be maintained as a distinct entity within the Department of Homeland Security for 2 years from the date of enactment. How do you envision the Transportation Security Administration's role within the Department of Homeland Security after this 2-year period?

Answer. TSA's mission is a vital component of the Border and Transportation Security Directorate's responsibilities. To achieve its mission, TSA is developing a National Transportation System Security Plan (NTSSP) that will explain TSA's vision to complete the important task of ensuring the security of all modes of transportation. The NTSSP will also lay out how TSA, other DHS components, other Federal agencies, state and local authorities, and the private sector will work together to ensure system-wide security. The creation and implementation of the Plan will involve extensive interaction and

cooperation with other involved agencies and the private sector.

TSA's involvement in providing mode-specific security will vary across modes based upon assessed needs and determination of TSA's responsibilities relative to other DHS organizations. Currently, TSA plays a very active operational role in the aviation mode, while we are still establishing our capabilities and activities in other modes such as highway and mass transit.

Within DHS, the cooperation and interaction that already exists between TSA and the Bureau of Customs and Border Protection (BCBP), the Bureau of Immigrations and Customs Enforcement (BICE), the U.S Coast Guard and the Information Analysis and Infrastructure Protection Directorate (IAIP) will only grow over the next 2 years.

- We expect to perform or facilitate a vast number of vulnerability assessments in the Transportation Sector under the overall oversight of and coordination with IAIP.
- We expect to greatly increase our use of information and intelligence that will be provided by IAIP.
- We will enhance the tactical cooperation with BCBP that exists now at major airports of entry, including joint screening and joint training programs--e.g., TSA screeners recognizing drug and money contraband.
- We will continue and increase coordination with BCBP on major developing issues such as cargo security and collecting passenger name lists, to promote effective security and efficient commerce.
- We will work with BICE where possible to further the investigation and enforcement of transportation security concerns and violations.

Also within DHS, the transportation-focused specialists at the Transportation Security Labs (TSL) will share information and resources with the Science and Technology Directorate. This will leverage the efforts of both organizations, while maintaining the benefits of TSL's specialization and transportation security focus.

Question. Do you feel that TSA would function best as a separate entity within the Border and Transportation Security Directorate or do you believe it should be merged into one of the other functions of this Directorate?

Answer. The Transportation Security Administration serves a distinct need, particularly with respect to aviation. The characteristics and security needs of the transportation system are often unique from the characteristics and security needs of border protection, and from those of immigration and customs enforcement. For these reasons, we believe the Nation is best served by protecting the transportation system with a dedicated and distinct entity that provides the necessary expertise and focus to address the unique characteristics and security needs of the transportation system.

Having said this, we fully agree that the security of the transportation system intersects significantly with the security of our borders, Ports of Entry, cargo and passengers and the security needs of Customs and Immigration. It is very appropriate that the TSA work closely and coordinate with the BCBP and the Bureau of Immigration and Customs Enforcement (BICE), with oversight and guidance from the Under Secretary for BTS, as well as in coordination with other DHS directorates and agencies. As DHS evolves, the Secretary must continue to assess how to best manage our critical mission, including the organization of its functions.

## TSA: GUNS IN THE COCKPIT

Question. The Homeland Security Act of 2002 authorized the use of firearms by pilots in order to defend the flight decks of aircraft against criminal violence. The Transportation Security Administration has now begun to train pilots on a volunteer basis and recently 44 pilots have completed training and have been sworn in as Federal flight deck officers. The fiscal year 2004 budget requests an increase of over \$17 million for the training of arming pilots with firearms. What is the cost of training each pilot and is such a large increase feasible and achievable?

Answer. The initial cost of training for a Federal Flight Deck Officer (FFDO) is approximately \$2,000. In addition, the assessment of an individual's eligibility to be a FFDO costs approximately \$3,000. To equip (firearm, holster, lockbox) a trained FFDO costs approximately \$1,100. Therefore, the total cost to train and deploy an FFDO is approximately \$6,200. Finally, semi-annual re-qualification is expected to cost about \$700 per FFDO.

Additional program costs include building and maintaining an on-line application system and providing new FTEs to facilitate program oversight, operations support, and internal investigation.

With the funding requested for fiscal year 2004, TSA expects to be able to assess, train, equip and deploy thousands more FFDOs (the actual number is considered sensitive security information).

Question. From learned efficiencies will there be one agency that will administer all of the training or is it more feasible for several agencies to carry out the training?

Answer. TSA intends to conduct all initial (or basic) FFDO training at the Federal Law Enforcement Training Center (FLETC) campuses in Glynco, GA and Artesia, NM. TSA is working in partnership with both locations to deliver this training. Use of these facilities ensures consistent and thorough training of new FFDOs.

Question. Do the airlines incur any expense for the training of their pilots? If not, do you believe this should be a shared cost?

Answer. APATA specifically states that air carriers should not bear the costs to train their pilots as FFDOs.

Question. When will the Transportation Security Administration conduct the next training session and what criteria will be established to decide which pilots will receive the limited number of training positions if the interest is as large as expected?

Answer. The next training class commences on July 21, 2003. Volunteers will be scheduled for training on a rolling basis as they complete the selection process. Applications will be viable for a period of 1 year; persons eligible but not scheduled for training in the remainder of the current fiscal year will be scheduled for training in fiscal year 2004. No additional applications will be solicited until the eligible volunteers from the current application period have been scheduled for training.

## TSA: PORT SECURITY GRANTS

Question. For fiscal years 2002 and 2003, Congress has appropriated a total of \$388 million for port security grants by TSA for this important program to better secure our Nation's ports. Included in the recently passed Emergency Wartime Supplemental Appropriations Act for fiscal year 2003, an additional \$20 million was provided for port security grants in addition to the \$150 million made available just

three months ago by the fiscal year 2003 Consolidated Appropriations Resolution. How soon will you be able to obligate these funds?

Answer. TSA expects to announce a second round of Port Security grants in late May/early June 2003. TSA and the Department of Homeland Security are working with the Administration to finalize budget execution plans for the spending of fiscal year 2003 appropriated funds for port security grants.

Question. How does the Coast Guard work with TSA to administer the grant-making process?

Answer. The Coast Guard, as well as the Maritime Administration of the Department of Transportation, has worked collaboratively in all aspects of the Port Security grants process. This includes developing the Broad Agency Announcement; defining the eligibility requirement, evaluation criteria, and evaluation process; and participating in all levels of application review and award decision making.

The Coast Guard, the Maritime Administration, and TSA jointly monitor the progress of all grants and collectively determine whether all grant requirements have been met.

#### EXPLOSIVE DETECTION SYSTEMS (EDS)

Question. Of the baggage screened at 429 commercial airports, TSA estimates that 90 percent of the baggage is screened electronically by either Explosive Detection Systems (EDS) or Explosive Trace Detection (ETD) machines. The President's budget provides \$100 million only for the maintenance of these screening devices and does not provide any monies for the purchase of additional machines. How much of the \$180 million in funding for fiscal year 2003 and carryover funds available from fiscal year 2002 for Explosive Detection Systems has been obligated in order for airports to comply with statutory deadlines mandated by Congress? If no funds have been obligated, when do you intend on obligating the remainder of the funds for the purchase of additional Explosive Detection Systems?

Answer. A total of \$179,300,000 from fiscal year 2002 and fiscal year 2003 (including FAA funding) will be obligated by the end of May 2003 for EDS/ETD purchases.

Question. Do you believe if Congress appropriated funds for fiscal year 2004 for the purchase of additional Explosive Detection Systems that airports that are in the most need of these machines would be able to accommodate them and would this accelerate the electronic screening of all passenger baggage?

Answer. TSA is in the final stages of developing a deployment plan for those in-line installations that will be supported by the Federal Government through appropriations funding and the Letter of Intent (LOI) program. Throughout this process we have updated the actual numbers of machines that TSA will have to purchase and deploy to accommodate in-line installations.

Question. Now that the deadline to screen all checked airline baggage has passed and 100 percent of the checked baggage is now being screened for explosives, whether it be electronically or manually, what further efforts do you plan to implement to enhance the process of making sure all baggage that is checked for air travel is completely safe of explosives?

Answer. TSA's Transportation Security Lab (TSL) is aggressively working with manufacturers of new technologies that show promise of meeting the TSA's certification standards within a 2-3 year window for producing viable systems to enhance the screening process. TSL is also

working with current manufacturers to enhance performance of currently deployed EDS equipment to improve detection capabilities, reduce false alarm rates and increase throughput capacity.

Question. It is reported that while improving, false alarm rates for baggage screening machines still occur too frequently. Can you address what new technologies are being pursued to address this problem and give us further detail on the \$30 million proposed for fiscal year 2004 for the next generation explosive detection systems?

Answer. TSA has planned a two phase R&D program to identify and develop next generation EDS technology.

- First Phase.--TSA will direct approximately 85 percent of allocated R&D efforts towards a program which addresses evolutionary growth of present technology. The project will focus on:

- Life cycle extension of existing systems to include software enhancements that will lower the machine false alarm rates, increase baggage throughput and improve detection capabilities;

- Combining technologies (such as a combination of X-ray with quadrupole resonance or X-ray diffraction technology); and

- Emerging technology and products that are within a 2-3 year window for producing viable systems.

- Second Phase.--TSA will direct approximately 15 percent of R&D efforts to a project which is a longer-range project with potentially greater payoff. This is a 5 to 10 year project that will challenge industry to develop the next generation of EDS technology.

#### AIRPORT SECURITY IMPROVEMENT PROJECT

Question. TSA announced recently that Letters of Intent would be signed for about 20 airports to provide Federal assistance for permanent installation of explosive detection equipment. Which airports will receive this funding and when can we expect these monies to be obligated?

Answer. TSA is currently working to develop a comprehensive plan for EDS in-line installations that will include an estimate of how many LOIs TSA intends to utilize. We will provide details on that plan when it is completed.

Question. The fiscal year 2004 budget for TSA does not include additional monies for installation of explosive detection systems but in your prepared testimony you state that TSA expects to amend its budget request for costs associated with the Letter of Intent program. When can we expect a budget amendment from the Administration for additional funding?

Answer. TSA is working with the Department of Homeland Security (DHS) and the Office of Management and Budget (OMB) to determine what adjustments are needed to the TSA fiscal year 2004 Budget Request. These discussions include consideration of funds for the Letter of Intent program. When an Administration proposal is completed, TSA will provide details to the Congress.

Question. The Nation's largest airports that handle the greatest passenger volume are most in need of money for terminal modifications. However, if Congress provides additional funding for fiscal year 2004, there is concern that these same airports will receive funding and the smaller airports will be left out. Under Secretary Hutchinson testified that there is a procedure, or a priority system, to determine which airports will receive funding. Can you explain the order of how

airports are chosen to receive funding for security improvement projects?

Answer. TSA has developed, and is applying, a prioritization process that provides for an objective method for determining which airports will be the first to move forward in the Letter of Intent (LOI) process to fund installations of in-line explosive detection system (EDS) equipment. The prioritization and complete plan for installations will be completed in the near future.

#### COMPUTER ASSISTED PASSENGER PRE-SCREENING SYSTEM (CAPPS II)

Question. Under Secretary Hutchinson testified before the Subcommittee that firewalls would be established for the Computer Assisted Passenger Pre-screening System in order to prevent personal data from being collected by the government or retained by the government. What procedures are being put into place to prevent this firewall from being breached?

Answer. The firewalls which are being incorporated into the CAPPS II system to protect privacy will themselves be protected through the use of the ``Radiant Trust'' system. This system will audit, in real time, the flow of all data into and out of the CAPPS II system and will also audit any access to or modification of the data in the system. The software used in the auditing component of the system is the same software trusted by intelligence agencies for the protection of highly classified information. In short, we believe that data processed by the CAPPS II system will be accorded the highest level of security available for such data in any system in the government.

Question. Some Transportation Security Administration passenger screeners have repeatedly searched individuals who clearly do not fit the profile of possible terrorists. What is the Transportation Security Administration doing to cut down on these ``false alarms'' or ``wasted searches''?

Answer. One of the advantages of the CAPPS II system will be that it will greatly reduce the type of unnecessary screening referred to in this question. Unlike the current prescreening system in place, currently administered by the airlines, TSA is developing CAPPS II to have a robust authentication function to help ensure that people who do not pose a threat to commercial aviation security and will not be confused with those who are identified as posing such a threat, and therefore will not be subjected to repeated and unnecessary additional scrutiny when they travel. Further, if such errors do occur under the CAPPS II system, TSA will have a ``Passenger Advocate'' who will be empowered to investigate any errors and assist in correcting repeated instances of misidentification.

In sum, TSA agrees that repeated screening of the wrong person wastes resources and that once implemented, CAPPS II will be a useful resource allocation tool that will assist in ensuring more appropriately focused screening.

#### LAW ENFORCEMENT OFFICERS (LEOS)

Question. For fiscal year 2003, the Transportation Security Administration previously planned to negotiate long-term agreements with state and local law enforcement agencies to provide uniformed officers at passenger security checkpoints this year and in the future. Recently, TSA announced that local airports would not be reimbursed for law enforcement officers and the airports would now have to shoulder

the burden for this mandate. What is the rationale behind elimination of reimbursing law enforcement officers at airports?

Answer. TSA will continue to provide reimbursements for some law enforcement. However, the fiscal year 2003 Omnibus Appropriations bill (Public Law 108-7) provided new authority for the Administrator of TSA to allow stationing of law enforcement personnel at places other than the airport screening checkpoints if TSA determines that such stationing will still provide adequate responsiveness to incidents (problems) at these locations. Flexible stationing enhances overall security by providing surveillance detection and visual deterrence at the airports. Roving patrols can cover more ground, will be observed by more passengers, will gain a better understanding of the airport domain and will lessen the manpower constraints on local jurisdictions. In addition to enhancing security, this provision will greatly affect the reimbursement program by significantly reducing funding requirements. TSA is reviewing the current and historical requirements of the security and law enforcement program for each airport. TSA Federal Security Directors are consulting with the Airport Operators and local law enforcement agencies to determine whether returning to a No-Cost Flexible Response Alternative Program as provided by the Airport Security Program (ASP) is sufficient to meet the needs for security at that particular airport.

Question. How do you anticipate financially-strapped airports to be able to make up for this shortfall?

Answer. Financial assistance in the form of a Reimbursement Agreement (RA) will be available in cases where a no-cost program would critically and adversely affect the financial resources and security staffing requirements of the host agency.

#### TRANSPORTATION WORKER IDENTIFICATION CARD (TWIC)

Question. The Transportation Security Administration was provided \$35 million in fiscal year 2003 to initiate a credentialing program for all transportation workers, such as dockworkers, truck drivers, and airline caterers, to carry Federal identification in order to provide a more secure work environment. The Transportation Security Administration is now in the process of carrying out a four-month pilot project where workers will be issued a transportation worker identification card (TWIC) with one of five technologies in order to determine the most appropriate, secure technology before a prototype is developed. Can you give us a status report on the pilot project and explain the different technologies that are being considered that will be incorporated in the prototype transportation worker identification card? Will biometric technologies, technologies that incorporate iris, facial, and fingerprint recognition, be incorporated in the pilot?

Answer. A contract to conduct the Transportation Worker Identification Credential (TWIC) Technology Evaluation Phase pilot projects in the Philadelphia/Delaware Basin and Los Angeles/Long Beach areas was awarded to Maximus, with EDS (Electronic Data Systems) as a subcontractor, on April 23, 2003. The multi-modal pilot projects will include testing credentialing technologies in applications for aviation, highway, maritime, rail workers, and others.

The intent of the Technology Evaluation Phase is to evaluate a range of potential access technologies for interoperability and performance at six facilities in each area. The test will include six different access control technologies including digital photographs, optical (laser) media stripes, microchips, magnetic stripes, and two



different types of bar codes. As part of this phase, the benefits of employing a centralized card production and issuance center will be evaluated.

Biometric technologies will be incorporated in the Prototype Phase of the TWIC program. During this next phase, a TWIC reference biometric will be incorporated into the credential and tested at the pilot sites. A specific reference biometric has not yet been chosen. In addition to the biometric technology selected for the reference biometric, the TWIC credential will have the capability to store other biometric information for use in various security applications as required by individual transportation facilities.

#### HIGHWAY WATCH PROGRAM

Question. Does the Transportation Security Administration intend on any contractual agreements between the Federal Motor Carrier Safety Administration and the trucking industry for the Highway Watch program as recently directed by Congress?

Answer. The Highway Watch Program is a joint government/industry program and TSA expects to build-on rather than replace this existing program as it defines future highway security needs. TSA is working with the Federal Motor Carrier Safety Administration to determine the requirements for expansion of the current Highway Watch Program.

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Questions Submitted by Senator Ben Nighthorse Campbell

#### LINES OF COMMUNICATION

Question. In the hours following the attacks on the Pentagon and the World Trade Center, it was clear that the lines of communication between everyone involved in air travel--the FAA, Federal authorities, airlines, and customers--was severely deficient, if not to say completely inadequate. What steps have been taken to improve this so that information moves quickly and accurately from the air traffic controllers to the airlines to the passengers, and most importantly, to the appropriate agencies in the event of another emergency?

Answer. The communications flow between air traffic controllers, airline corporate headquarters and security divisions, Department of Defense, and other Departments occurs under processes established among the Federal Aviation Administration, Transportation Security Administration, Department of Homeland Security, and the Department of Defense. In cases where there is a known threat to aviation security, the agency that identifies the threat establishes communications with the other agencies via established conference calls, at which time all command centers are brought into a coordination conference call. In addition to these interagency conference calls, each agency initiates calls within its own organization for coordination with internal response and information sources to build and maintain situational awareness. The Transportation Security Administration establishes direct links to internal and external agencies via secure and non-secure means for information gathering and direction. The communication systems are tested regularly to identify and correct glitches in the lines of communication so that we are confident there will not be any problems in a real emergency. At the end of every test, we conduct an outbrief to review the exercise and identify areas for improvement.

These communications links encompass the full spectrum of agency capabilities to respond to any threat to aviation security. Additional details on the secure elements of the communication links can be provided in a classified setting.

#### AIR MARSHALS

Question. On September 11th, it became apparent that our Nation's protectors of the commercial skies, the U.S. Air Marshals, needed to be in better communication--not only with their superiors but also with each other. Who knows what could have been averted, and how many lives could have been saved had communications technology been available. I know that over the past year or so, the TSA has been working with technology companies in order to develop a communications system that allows the air marshals to communicate in real time with officials on the ground, as well as other air marshals stationed on other commercial aircraft. I think this is necessary so that our air marshals are not isolated at 30,000 feet. Do you have any knowledge of the progress of this technology development?

Answer. Pursuant to House Conference Committee Report 107-593, TSA's Federal Air Marshal Service (FAMS) was provided \$15 million to begin the initial implementation phase of the Air to Ground Communications program. TSA intends to utilize this funding to purchase a Commercial Off-the-Shelf (COTS) product, which includes hardware and software, for implementation of the Air to Ground communications system. This initial system will allow the FAMS to utilize a portable, quickly deployable air to ground communications system which will seamlessly integrate existing FAMS wireless technology. This comprehensive wireless communications system may also be used by other local, State, and Federal agencies, and the Department of Defense, to achieve secure communications through a dedicated law enforcement network.

#### BAGGAGE SCREENERS

Question. The TSA recently announced plans to eliminate 3,000 more airport screening jobs by the end of September, coupled with 3,000 others announced in March, amount to about 11 percent of the 55,600 screeners employed. This plan will save the TSA an estimated \$280 million. I applaud the TSA's effort to trim their budgetary needs, however, is a good idea to cut the work force and putting some workers on part-time hours? Do you believe this to be a wise decision at this time?

Answer. TSA believes that making effective use of part-time screening personnel is in the best interest of both security and the taxpayer. Most airports have a peak time, or several peak times, during which a screening presence is needed beyond the normal throughput. The ability to use part-time or split shift personnel during these focused periods is a policy with significant possibilities. With the implementation of improved scheduling tools, TSA expects to be able to optimize the workforce with the appropriate mix of full-time, part-time and split shift personnel to better match travel patterns.

Question. Will we still have enough workers to screen 100 percent of the bags?

Answer. Yes, the screening force will not be cut below the level needed to screen 100 percent of the baggage.

## AIR TRAFFIC CONTROLLERS

Question. A year ago, we discussed the need for accountability in the security screeners and airport employees as a whole. Then Congress passed the Aviation and Transportation Act which federalized those employees. Recently, President Bush issued an executive order that deleted the clause in a previous order signed by President Clinton that described air traffic control as an ``inherently governmental function.'' The Administration has proposed studying whether to hire a private company to take over the air traffic control system. What effect will privatizing the Air Traffic Controllers will have on the current system? Do you believe it will solve current issues, or create problems?

Answer. Because the safe operation of the Nation's air traffic control system is the responsibility of the Federal Aviation Administration (FAA), an agency within the Department of Transportation (DOT), these questions are more appropriately addressed to that agency. However, it is our understanding that although DOT recently deemed the FAA's air traffic controllers to be ``commercial'' within the meaning of the required annual FAIR Act inventory of agency functions, the Secretary also decided that the non-contract tower functions are core capabilities of the agency and will not be subject to competition or contracted out.

## QUALIFIED ANTITERRORISM TECHNOLOGIES

Question. The Homeland Security Act of 2002 (Sections 862) provided the Department of Homeland Security with authority to compile a list of ``qualified antiterrorism technologies'' that would qualify or receive certain protection under that Act. Has this list been compiled? If not, why?

Answer. The Department of Homeland Security is in the process of drafting regulations for implementation of Section G of the Homeland Security Act of 2002 and places a high priority on their issuance for public comment and implementation. These regulations will provide the basis for the Department to compile a list of qualified antiterrorism technologies in accordance with the criteria and provisions of the Homeland Security Act.

Question. If this list has been compiled, can Members of this Committee get a copy of this list?

Answer. A list of ``qualified antiterrorism technologies'' has not yet been compiled because the regulations needed to implement Subtitle G of the Homeland Security Act of 2002 have not yet been issued.

Question. How would a company that has an antiterrorism technology be considered for approval?

Answer. At present, there is no process by which a company can submit its technology for consideration for approval as a qualified antiterrorism technology. Such a process will be available after the regulations needed to implement the provisions of Section 862 of the Homeland Security Act have been finalized and issued.

Question. Do they need to wait for the rulemaking process to be completed to apply for approval?

Answer. Yes.

Question. If so, when will that process be completed?

Answer. As indicated earlier, the process is currently in progress and will include a public comment period on the proposed regulations prior to their finalization and issue. At this time, it is not possible

to provide a specific date for completion of the rulemaking process.

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#### Questions Submitted by Senator Robert C. Byrd

##### FULL-TIME EQUIVALENT SCREENERS CAP

Question. The Congress has required your agency to achieve a cap on full-time screening employees of 45,000 individuals. Does this staffing limitation force your agency to make bad or inefficient management decisions?

Answer. As a threshold matter, the cap referred to in the question applies to full time permanent employees throughout TSA and not just screeners. The cap affects, among others, TSA headquarters staff and Federal Air Marshals.

TSA acknowledges the requirement to reduce and re-distribute some of the screener workforce. At some of the airports, we did not experience the voluntary attrition we expected, and at other airports, attrition has been greater than programmed. Getting the right number of screeners hired and trained at the right airports will continue to be a management challenge. It will be essential for us to use our work force in a flexible manner if we are to avoid long lines after the reduction. Part time employees will be essential for staffing checkpoint lanes during peak periods. Through the implementation of good management principles and practices, TSA will be able to maintain world-class security with a more efficient, more effective screener workforce.

##### BUS SECURITY

Question. TSA has been given funds for a program to enhance motor coach security (\$25 million total from the Supplemental and Transportation Appropriations bill). The first application period ended in March. When do you expect that your agency will announce those grants and what criteria have you used to award these funds?

Answer. Request for applications for the initial round of bus security grants was published in the Federal Register on January 17, 2003. The application period closed on March 19, 2003. Interagency national and executive review teams recently completed their evaluations of the proposals. TSA anticipates awarding the grants in June 2003.

In developing funding recommendations, the national evaluation team used the evaluation criteria published in the Request for Applications, which included the following: relevance and importance, technical quality of the proposal, competence of the project team to perform the work, appropriateness and reasonableness of the budget, and corporate experience and capability.

Question. With all your focus on the airlines and their security, when do you expect that you will turn to other modes of transportation and have you done any preliminary studies or have any ideas as to what can be done to protect rail and bus passengers?

Answer. TSA, working through the Border and Transportation Security Directorate (BTS) and with the Information Analysis & Infrastructure Protection Directorate (IAIP), is currently working with Federal surface and maritime transportation modes, and governmental and industry stakeholders to better assess security vulnerabilities, identify security enhancements, and, where needed, establish best

practices, national standards, and security plans and regulations.

Additionally, TSA continues to assess security vulnerabilities and identify needed security enhancements to the rail and bus system and related infrastructure and is engaged in the following rail and bus security activities:

- Coordinating information and threat sharing through the Surface Transportation Information Sharing and Analysis Center (ISAC), which is managed by the Association of American Railroads, including deploying TSA personnel to the ISAC.
- Studying (in collaboration with Amtrak and Federal Railroad Administration) the feasibility of prototyping the screening of both passengers and baggage in a rail environment.
- Identifying the gaps in antiterrorism training among rail personnel.

TSA also provided support to a study conducted by the Volpe National Transportation Systems Center entitled ``Security Enhancement Study for the U.S. Motor coach Industry.'' This study assesses the level of security threats within the motor coach industry, prioritizes industry vulnerabilities and identifies potential areas of opportunity to enhance security.

Question. In your opinion, is it more important to enhance protection to transportation routes and corridors or significant transportation destinations?

Answer. Both transportation routes and corridors and significant transportation destinations play a critical role in our economy. Enhancing protection of both of these areas will ensure the uninterrupted flow of commerce and maintain the confidence of the traveling public. Because the routes and corridors and destinations are economically interdependent, leaving one unprotected is not an acceptable alternative. Risk analysis does indicate however, that the greatest threat lies within the transportation destination, for it is there that those who would do us harm achieve the greatest impact (potential greatest loss of life, impact on critical infrastructure and economy, and access to major media markets).

Question. Some bus operators (e.g. Greyhound Bus Lines) have begun ``wandering'' passengers in its largest terminals. Has TSA had any discussions with Greyhound or with the industry's trade association (American Bus Association) about the usefulness, cost and practicality of expanding such efforts?

Answer. TSA has had broad discussions with both Greyhound Bus Lines and the American Bus Association (ABA) with regard to Greyhound's pilot project to perform random ``wandering'' of passengers at 32 cities across the Nation. Greyhound has found that ``wandering'' works well on several fronts, discouraging passengers from bringing drugs and dangerous or otherwise threatening items onboard as well as providing a tangible demonstration of enhanced security. Greyhound is exploring the feasibility of and identifying resources needed to expand their ``wandering'' program to include 50 percent of Greyhound's terminals. In addition, other bus operators are evaluating whether and how to incorporate ``wandering'' into their security protocols.

#### FEDERAL AIR MARSHALS TRAINING LOCATION

Question. Does TSA, in conjunction with FLETC, plan to consolidate training of Federal Air Marshals at one location (Artesia) as opposed to the expense of training in Atlantic City?

Answer. The Federal Air Marshal Service (FAM) has no plans in

conjunction with FLETC to consolidate the training of Federal Air Marshals (FAMs) at one location (Artesia).

All FAMs are required to attend the FAMS 7-week Basic Training Course conducted at FLETC in Artesia, New Mexico and the 4-week FAMS Phase II Specialized Training Course conducted at the FAMS Training Center in Atlantic City, New Jersey. The training in Artesia consists primarily of basic police and law enforcement training that is aimed at providing a student the fundamental law enforcement training related to their positions. The training in Atlantic City is specialized training related directly to the FAMS mission. It takes place in facilities and on equipment that are designed to replicate the working environment that a FAM will encounter during a mission. In addition, instructors from the Federal Aviation Administration (FAA) and other outside entities that conduct some of the specialized FAMS training would not be available if the training were conducted at the FLETC-Artesia location.

A recently held curriculum review conference was attended by representatives of the FAMs, TSA's Office of Training and Quality Performance, and FLETC-Artesia. A coordinated effort is underway to eliminate all duplicative training courses in each segment of the training to maximize the time FAMs spend in the specialized mission-related training facilities uniquely available in Atlantic City.

#### FEDERAL AIR MARSHALS RETENTION RATES

Question. Regarding the retention rate of Federal Air Marshals, does the turnover exceed training costs? What is being done to enhance retention? Is emphasis in hiring placed on Federal law enforcement officials--most of whom have already received FLETC-certified training--and whom we understand are relatively less costly to train than other recruits?

Answer. In order to address the issue of retention, two points need to be addressed. First, looking at Federal Air Marshal (FAM) attrition over the year and a half since the program has undergone a significant build up, it is apparent that the attrition rate is no greater than that of the rest of the Federal Law Enforcement workforce. FAM attrition was initially very low, and then there was a spike noted late last summer. Since December 2002, the attrition rate has stabilized at half of a percent per month. Second, the build up to comply with the Congressional mandate resulted in hiring the FAM workforce without being able to sufficiently hire the warranted supervisory personnel. Since this past fall, when a cadre of experienced Federal Law Enforcement Supervisors and Managers were selected and deployed to each of the Field Offices, there has been a significant reduction in the number of resignations and a noted stabilization of the FAM workforce.

Turnover does not exceed training costs. The cost of half of a percent per month attrition does not exceed the monthly budget allocation for training.

The Federal Air Marshal Service (FAMS) recruits from a variety of sources including those individuals with Federal law enforcement experience. It is the goal of the FAMS to select the best-qualified individuals for the workforce, following all applicable OPM regulations. Since September 2001, the FAMS has actively recruited individuals with prior Federal law enforcement experience, as have many other Federal, State, and local agencies with law enforcement responsibilities. Competition for those best-qualified individuals has been intense. During the emergency stand-up period running through July

2002, approximately 50 percent of the FAMS hired had previous Federal law enforcement experience. Hiring personnel with former Federal law enforcement experience realizes cost savings; however, all personnel, regardless of their backgrounds, require specialized Federal Air Marshal Training.

#### WYDEN AMENDMENT TO S. 165--AIR CARGO SECURITY IMPROVEMENT ACT

Question. S. 165, as it passed the Senate, requires a report on plans by the Transportation Security Administration to gather data on plane passengers. He said he wanted to determine how the collection of data impacts civil liberties and privacy. Has the Administration taken a position on the Wyden provision? Does it share the same concerns about personal privacy and data mining issues?

Answer. The Administration does not oppose the Wyden provision. TSA is committed to ensuring that personal privacy is protected in the CAPPS II program and welcomes the opportunity offered by Senator Wyden to demonstrate that commitment. TSA is developing CAPPS II in ways that protect personal privacy. Strict firewalls and access rules will protect a commercial air traveler's personal information from inappropriate use, sharing or disclosure. Also, CAPPS II will include real-time auditing capabilities in the system architecture to ensure compliance with domestic and international laws and the privacy policies of TSA and other Federal agencies. In addition, it is TSA's goal to listen to the views of our stakeholders, the traveling public, privacy advocacy groups and the Congress and to use the feedback to help create and develop the CAPPS II system. With regard to data mining, as understood by TSA, ``data mining'' means sifting through vast amounts of data to identify any possible patterns. CAPPS II starts with a known person, the air traveler, and seeks to authenticate his/her identity and to determine whether that person poses a terrorist risk to the aircraft, other passengers, or the public. It is not seeking out unknown patterns in vast quantities of data.

#### TRUSTED TRAVELER PROGRAM

Question. In conjunction with development of the CAPPS II program, there has been some discussion of also exploring development of a ``trusted traveler'' program similar to those in place at certain overseas airports for frequent, especially business, travelers. Has the Department explored piloting such a program in this country? If not, why not? If so, what has the Department learned in this regard?

Answer. The concept of the Registered Traveler (RT), or ``trusted traveler,'' is still in its development stage. TSA is conducting a business-based feasibility study to examine the range of program alternatives, evaluate viable technologies and develop a range of funding and cost-sharing options. As TSA makes progress with CAPPS II and further defines the registered traveler concept, we will be in a better position to determine how a RT program might be implemented and identify other advantages for travelers who volunteer to participate.

TSA is still in the process of developing CAPPS II to identify those persons who are involved with or linked to foreign terrorism and who pose a threat to aviation security. At the same time, TSA is reviewing the RT concept, per Section 109 of the Aviation and Transportation Security Act (ATSA), which provided TSA with the discretion to ``[e]stablish requirements to implement trusted passenger programs and use available technologies to expedite security screening

of passengers who participate in such programs, thereby allowing security screening personnel to focus on those passengers who should be subject to more extensive screening.'

The current thinking around RT is that passengers who apply to the RT program will voluntarily submit to background checks. Based on these checks, TSA would be able to assess whether the passenger presents a risk to aviation security. If it is determined that the passenger does not pose such a threat, they will be registered as a RT, or, alternatively, if they do pose a threat to aviation security, they would not be registered. Thus, there are no levels of clearance--people either participate in the program or they do not. If they are in the program, it is possible that this group of people could be entered into the CAPPS II system as individuals who do not present a risk to aviation security.

In this situation it is envisioned that RTs would generally be exempt from secondary screening. For the majority of cases, RTs would only receive secondary screening if they trigger an alarm at the walk through metal detector (WTMD). The benefit to the RT is the potential for expedited security screening.

#### TSA: GOALS AND MANAGEMENT

Question. A recent General Accounting Office report has given the Transportation Security Administration high marks, saying it is off to ``an impressive start'' in motivating its workforce to achieve performance goals. At the same time, the agency has focused the vast majority of its resources on the aviation side of the ledger almost to the exclusion of other modes of transportation. The budget request for fiscal year 2004 appears to continue this trend, with only \$86 million planned for Maritime and Land Security out of a budget request of \$4.82 billion. There are reports that TSA is working on a national security plan that will address all modes of transportation, including the development of partnerships with the private sector. Can you give us some examples of what these might be? Do you anticipate modifying or realigning your budget request to accommodate these plans?

Answer. We do not anticipate modifying the TSA request for this purpose. DHS, overall, has requested substantial resources in fiscal year 2004 across the Department outside of aviation, including resources in the Coast Guard for ports and maritime security; in BCBP for cargo security; in IAIP for vulnerability assessment, intelligence, and infrastructure protection for all sectors including transportation; and in EP&R for emergency response. ODP recently announced grants including \$75 million for port security and \$65 million for mass transit security in fiscal year 2003. TSA is continuing key standards-setting efforts, and will work closely with modal administrations of the Department of Transportation to help leverage resources of that agency, where appropriate, to accomplish security goals.

#### TSA: BUSINESS ASSISTANCE IN DEVELOPING SECURITY PLANS

Question. Transportation Security Administrator, Admiral Loy, recently told a group of business leaders that he needs their assistance in developing a national security plan for transportation systems. He said, ``This is an all-hands evolution. We are sort of in this together.'' What types of assistance is TSA looking for from the private sector? Is there a timetable for deliverables on this national transportation security plan? What measures are being used to determine



whether the plan is working?

Answer. Industry participation is vital to TSA's success and our security paradigm involves industry input at almost every step of the process. From domain awareness, where industry has the benefit of day-to-day observation, to prevention, protection, response, restoration and consequence management, TSA, its modal partners and industry will be essential to the establishment and effectiveness of a comprehensive transportation security plan.

Specific measures of effectiveness will be developed as the plan is put in place and appropriate security standards are decided.

#### LETTERS OF INTENT

Question. The fiscal year 2003 Iraqi War Supplemental (Public Law 108-11) included a provision allowing the Under Secretary for Border and Transportation Security to issue letters of intent to airports to provide assistance in the installation of explosive detection systems. What is the status of this issue? Is the Office of Management and Budget delaying the issuance of these letters?

Answer. OMB supports the use of LOIs as a tool for improving security, leveraging private sector resources and is working with TSA on its in-line installation plan and the use of LOIs in support of that plan.

#### TSA'S CRUISE SHIP TO AIRLINES PILOT PROJECT

Question. My staff had the opportunity while in Miami to observe the operation of a temporary pilot project which has been instituted between a major cruise line and a major airline. In this pilot, disembarking cruise passengers who are immediately transiting through to the airline have their bags examined by Transportation Security Administration screeners at a dock-side facility and receive their boarding passes from airline representatives. Then their bags are transferred to the airport in a secure vehicle while the passengers take a bus to the airport and, upon arrival, proceed directly to the gate. Under this system, the passenger is able to avoid waiting in additional lines at the airport, while at the same time congestion is slightly reduced at the airport itself. By all accounts, this is a system that is working well and demonstrates a fresh approach to both security as well as passenger processing. How much does this pilot program cost and are funds included in the fiscal year 2004 budget for it to be continued? Are there other locations to which this project could be expanded? What other innovative ideas, if any, is your agency considering piloting in the coming year?

Answer. The program mentioned in this question is called Synergy and is currently working well in Miami. There are no additional costs in this program, and it actually improves security by eliminating much of the congestion accompanying a cruise ship's passengers all arriving at the airport simultaneously. Other, similar programs are proposed for areas with hotel concentrations, as well as other major cruise ship embarkation points. TSA will pursue all avenues to allow air commerce to more freely move while maintaining the same high level of security.

#### TRANSPORTATION WORKER IDENTITY CARD

Question. You have included in your budget request for the next fiscal year funds to begin implementing the Transportation Workers

Identity Card program. Given that some transportation workers in certain locations often have criminal records, what will be some of the determining or prohibiting factors under which a worker will be provided or denied a card?

Answer. At the present time, the determining factors for whether or not a person obtains any federally-based TWIC across transportation sectors have not been determined. Many considerations must be assessed and evaluated, and ultimately these may vary depending on the nature of an employee's work and risk to the transportation system. The three primary acts which guide our current policy on credentialing include the Aviation and Transportation Security Act of 2001, the USA PATRIOT Act of 2001 and the Maritime Transportation Security Act of 2002. The acts differ both in specificity and in the length and range of offenses that would be disqualifying for obtaining a credential.

#### PORT SECURITY ASSESSMENTS

Question. Have you reviewed the port security assessments that have been completed to date to determine if there are patterns in port vulnerability that ports generally should begin to address immediately?

Answer. Review of the port security assessments completed to date, both by the ports themselves using TSA port security grant funds and those completed by the Coast Guard, has yielded valuable preliminary information regarding security enhancement requirements. These assessments have identified a number of physical security enhancements that were either non-existent or needed improvement, such as fencing, lighting, and closed circuit television systems. Other common recommendations included: setting standards for transportation worker identification systems, creating security plans, enhancing communications systems, and establishing screening equipment standards for cargo and passengers.

#### SUPPORT CONTRACTS

Question. In response to questions at the hearing, you spoke to the difficulties TSA has experienced with a number of its contracted out functions--including screener training, human resources and the like. Please provide the Subcommittee with a list if the contracts that TSA has let for specific functions since its creation, the number of people hired to perform the contracts, the prices of each contract and if a contract has been terminated and a new contractor brought on to perform the same function.

Answer. TSA has awarded 6 significant contracts for its ``contracted out services''. The six contracts and their associated information are listed in the attached document. None of these contracts have been terminated, although the period of performance for one contract has expired. Each of these contracts is a performance-based service contract (PBSC), where the contractor is required to deliver services in accordance with specific performance metrics. In general, TSA requires these contractors to achieve desired outcomes, and does not require them to adhere to non-performance standards (such as contract staffing levels). The contractor has the flexibility to achieve performance metrics utilizing innovative approaches that have not been restricted by procedural or resource requirements. TSA does not require these contractors to report the number of people employed.

To this point, TSA has awarded contracts to Cooperative Personnel Services and Accenture to perform human resources management functions

previously provided to TSA in part by NCS Pearson for the deployment of the aviation security workforce. The current contracts now cover the entire TSA workforce, not only the screener component. And, the recently awarded contract to Lockheed Martin services for security training services replaces the contract with Lockheed Martin Services for passenger screener training. In both situations the new contract requirements are for a broader range of services than those provided under the original contract.

#### S. 165--AIR CARGO SECURITY ACT

Question. The Senate recently passed this legislation. What new activities will this law impose on your agency? If enacted into law, what impact will this law have on your agency's budget? What additional resources--personnel, funds, etc. will be required?

Answer. TSA generally does not believe it will be necessary to increase personnel and funding to meet the requirements of the Senate bill. Should this bill, or TSA's air cargo security strategy, suggest new resources are needed, these will be found in base TSA funding. TSA has already set up screening protocols for air cargo, is regularly inspecting air cargo facilities, and is working to complete its ``known'' shipper database. \$30 million in requested fiscal year 2004 funding will enable TSA to refine and improve its screening protocols, through development of a risk-based, freight screening process, and investigate cargo screening technologies.

This legislation would also transfer responsibility for investigating foreign applicants for flight training from the Attorney General to the Under Secretary for Border and Transportation Security. TSA may assess fees for the cost of the investigations.

The legislation further provides that TSA may establish a program to use identification verification technologies. The use of surveillance and recognition technology may ultimately proves useful in airport applications, but it would require maintenance of an appropriate photo watch-list based on intelligence and law enforcement resources from outside TSA.

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#### Question Submitted by Senator Patrick J. Leahy

Question. As you may know, law enforcement officials from New England and New York have been national leaders in establishing an initiative for cargo container security called Operation Safe Commerce Northeast (OSC Northeast). OSC Northeast represents a comprehensive coalition of Federal agencies, State governments and private sector businesses committed to the concept of enhancing border and international transportation security without impeding free trade and international commerce. Originally conceptualized a month before the tragic events of September 11, 2001, I commend Vermont U.S. Attorney Peter Hall and others for being such forward thinkers about the need to monitor the security of overseas freight that is coming into our country.

On April 21, 2003 the Wall St. Journal carried an article warning that Canadian ports could provide a back door into the continent for terrorists targeting the United States. The Canadian Ports of Montreal and Halifax are among the principal seaports servicing much of the northeast and mid-west. For example: of the 1.2 million containers

unloaded in Montreal last year, half (600,000) were destined for the United States. One billion U.S. dollars of trade is conducted daily between the United States and Canada, therefore, a disruption of trade between the two countries would be devastating to our respective economies.

Last year (May 2002), OSC Northeast conducted a beta study of international container cargo entering the United States via Montreal. This project, involving both United States and Canadian participants, monitored, tracked and sealed a container from its point of origin in Eastern Europe through the Ports of Hamburg Germany to its final destination in Hillsboro, New Hampshire. To date, I believe this is the only group to have conducted and completed such a study and compiled a detailed report of findings and recommendations.

This group, which is chaired by the Governor of New Hampshire and the U.S. Attorneys for Vermont and New Hampshire, is prepared to proceed with a Phase II initiative dealing with container verification and the transshipment of international cargo. Most recently they have partnered with Lawrence Livermore National Laboratory--one of the nation's premier applied science labs--to further examine international cargo entering the continent via Canada and then transshipped via rail and truck inland, or transshipped via feeder vessels for delivery along the Atlantic (New England) coast. This interesting initiative consists of a collaboration of State, Federal and private sector (United States and Canadian) partners prepared to assist the Nation and homeland security.

Therefore, in light of the recognized disruption to the northeast and mid-west economies should a catastrophic event occur related to international trade corridors the TSA should better engage and utilize the resources of the OSC Northeast group. To replicate such a group would take a team one full year just to organize and prepare. I understand the TSA is preparing to provide funding awards to the three largest United States load centers, as prescribed in the fiscal year 2002 Supplemental Appropriations Bill: Los Angeles/Long Beach, Seattle/Tacoma and New York/New Jersey. And data from all these sources should be used to detect and analyze vulnerabilities in our supply chains. I hope the TSA will take a closer look at funding the OSC Northeast initiative too. We are very vulnerable along our Northern Border, and this group would enhance the safety of cargo entering the United States through New England and Canadian ports.

What steps are TSA taking to incorporate the efforts of OSC Northeast into our national port security strategy? Will TSA be able to fund Phase II of the OSC Northeast initiative?

Answer. OSC Northeast was a public-private partnership that yielded invaluable information regarding our Nation's port security strategy. TSA has incorporated lessons learned from OSC Northeast, as well as from other initiatives and experience in order to capture, analyze, and build further upon the knowledge base.

Appropriated funding prioritized Operation Safe Commerce (OSC) pilot program funds to the three largest container Load Centers in the United States--the ports of Los Angeles and Long Beach, the ports of Seattle and Tacoma, and the Port Authority of New York/New Jersey. One of the project criteria for the OSC grants is to consider a supply chain through the Load Centers, which includes feeder ports and supply chains to Canada. To date, no supply chains have been submitted to the OSC Executive Steering Committee for consideration that include Northeast U.S. ports, eastern Canadian ports, or truck or train shipments destined for eastern or central Canada. TSA expects to

complete work on this pilot program during fiscal year 2004, which we hope will provide useful solutions for supply chain security.

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#### Questions Submitted to the Federal Law Enforcement Training Center

##### Questions Submitted by Senator Thad Cochran

Question. The Federal Law Enforcement Training Center's fiscal year 2004 budget requests \$146 million. This amount represents a decrease of roughly 13 percent. Will the 2004 funding request provide for sufficient instructor staffing, training, and facility upgrades?

Answer. Yes, the President's fiscal year 2004 budget request provides sufficient funding for FLETC. It was based on levels of training requested by the partner agencies.

Question. The fiscal year 2003 supplemental appropriations bill provided the Federal Law Enforcement Training Center with an additional \$2 million to support Operation Liberty Shield activities. How were these funds used to support Operation Liberty Shield?

Answer. The funding provided for additional training requested by our Partner Organizations and the security costs associated with the increased threat levels. As a result of increased security requirements, our partner agencies requested 35 additional mandatory, basic training programs, totaling 7,084 student weeks of training, in order to deploy 744 more agents and officers. The increased threat levels required the implementation of a roving security patrol at the Artesia training site and an increase to the roving patrol already in place at the Glynco training site.

Question. When the Department of Homeland Security elevates the Threat Advisory System, how does the heightened readiness affect the Federal Law Enforcement Training Center, and what impact does this elevated readiness have on the agency's budget?

Answer. When the DHS elevates the threat advisory level, the following increased security measures are implemented in accordance with published directives:

#### THREAT LEVEL 4 (ORANGE)

This threat level will be implemented based upon anticipated needs or communicated threats and will encompass all previously applied security measures at security levels 1, 2, and 3. Additionally, a 100 percent positive identification process, consisting of a valid FLETC-issued identification card and a second form of a state or federally-issued government identification with a full-face photograph, will be implemented. Both forms of official identification must be produced and displayed to FLETC Security Police by all incoming personnel seeking access to any FLETC facility. Access will be denied if these specific identification requirements are not met. Additionally, FLETC Security Police will conduct random verifications and examinations of displayed FLETC identification at the various facilities within the FLETC proper; as such display of FLETC identification is required of all persons on any FLETC facility.

#### THREAT LEVEL 5 (RED)

This threat level will be implemented based upon anticipated needs

or communicated threats and will encompass all previously applied security measures at security levels 1, 2, 3, and 4. The facilities will be closed to all visitors and only essential personnel on official governmental business will be granted access. All non-essential contract personnel will be dismissed. A 100 percent search of all vehicles (commercial, government and privately-owned) entering FLETC facilities will be conducted and increased security police patrols of all areas will be implemented. At this threat level, all Partner Organizations will be tasked with providing security to their personnel at any off-facility housing areas in support of local police agencies. The FLETC Director may cancel any or all training within the affected bureau facilities.

The security activities associated with the heightened threat advisory levels are ordinarily accomplished within the parameters of the Security Police contract at no additional cost to FLETC. However, if security threat situations dictate that the service contractor employ additional resources and/or authorize overtime to accomplish the required security activities, then additional fiscal resources will be necessary.

Question. Since September 11, the training needs of Federal agencies with homeland security missions have increased substantially. What is FLETC doing to respond to increased training requests from its partner organizations?

Answer. The near-term increased demand for law enforcement training has been accommodated by maximizing the use all available facilities and resources at Artesia, Glynco and Charleston. A FLETC management team worked systematically through a series of constraints analyses to optimize FLETC throughput capacity. As system constraints were identified, temporary measures/facilities were brought on-line to eliminate or reduce the constraint, increasing the FLETC overall training capacity. Additionally, FLETC has developed a number of creative scheduling solutions to accommodate the increased training demand (i.e. extended training week and extended training day).

To accommodate the mid-term demand, FLETC is currently studying all available options to meet the fiscal year 2004 through 2006 training requests, including shifting some basic and/or advanced training normally conducted at Glynco, Georgia to alternate sites which may include Artesia, New Mexico, Charleston, South Carolina, or, the soon to be completed, Cheltenham, Maryland facilities. This option will only be employed after consultation with the affected partner organizations and consideration of response ramifications.

Question. Many of the Federal agencies that rely on FLETC for training would prefer to establish their own training facilities. What additional steps does FLETC need to take to ensure partner organizations that coordinated Federal training is best for the agency and the taxpayers?

Answer. H.R. 2590, enacted into law by President Bush on November 11, 2001, provided appropriations in fiscal year 2002 to the Federal Law Enforcement Training Center (FLETC). A provision contained in this legislation directed the FLETC to initiate collaborative interagency efforts to establish written standards for the accreditation of Federal law enforcement training. As the principal source of consolidated Federal law enforcement training, the FLETC assists all Federal agencies. Currently, the Federal Law Enforcement Training Office of Accreditation, located at Glynco, is working to quantify what facilities exist and the capability of those facilities.

In addition, at the request of the Under Secretary, Border and

Transportation Security (BTS) Directorate, Department of Homeland Security (DHS), the Federal Law Enforcement Training Center has been tasked with establishing a Training Academy Committee to identify and assess the training capabilities of all of the BTS training academies. The committee will use a two phased methodology to identify the training assets and to develop a plan for operating the facilities employed by each of the Directorate's bureaus, and will also include the Coast Guard, Secret Service, and the Bureau of Citizenship and Immigration Services. The operational plan will provide the framework for coordinating academy training. The Committee will develop and submit a report at the conclusion of each phase according to the timelines established by its charter. Once the committee has identified all of the BTS training capabilities, FLETC can develop a more definitive utilization plan of facility usage at all BTS sites.

Question. On March 1, 2003, FLETC was transferred to the Department of Homeland Security. Is FLETC working to develop a cohesive training curriculum that will cross-train all Department of Homeland Security law enforcement personnel in counter terrorism practices?

Answer. FLETC is currently working with the newly formed Department of Homeland Security (DHS) law enforcement organizations to modify, design, and develop appropriate training curricula to ensure their specific mission requirements are met, to include the cross-training of agency personnel. In the interim, all DHS law enforcement personnel attend either FLETC basic training programs (Mixed Basic Police Training Program, Criminal Investigator Training Program, Federal Air Marshal Training Program) or FLETC integrated basic programs and receive anti-terrorism and counter-terrorism training as part of their basic training. The same personnel also attend FLETC's advanced Anti-terrorism and Counter-Terrorism Training Programs.

Question. The Congress intends for agencies within the Department of Homeland Security to improve information sharing. What training techniques is the Federal Law Enforcement Training Center utilizing to encourage information sharing among law enforcement personnel?

Answer. The Federal Law Enforcement Training Center, through the Financial Fraud Institute (FFI), employs training techniques which encourage information sharing among law enforcement personnel in the following ways:

First, FFI offers the Intelligence Analyst Training Program (IATP), which is a comprehensive 4-week training program designed for the law enforcement intelligence community. This program focuses on intelligence methodology, analytical skills, research techniques, and the processes necessary to support the effective collection, analysis and sharing of intelligence data. FLETC is currently proposing to expand this program to accommodate the training needs of the Department of Homeland Security.

Second, in addition to the IATP, FFI offers twelve other advanced training programs to a cross-section of Federal, State, and local law enforcement. This training ranges in topics from International Banking and Money Laundering to Computer Forensics. FFI provides advanced Money Laundering and Financial Investigative training to High Intensity Financial Crime Areas and High Intensity Drug Traffic Areas Federal task forces to assist in the national effort to combat money laundering and terrorist financing. FFI also provides advanced training in the area of computer network security, computer intrusions, and internet forensics. These computer forensic training programs encourage law enforcement personnel to coordinate with and to interact among law enforcement agencies and the private sector to combat computer crimes.

This cooperation is stressed as being vital to the effective investigation of advanced technology crimes.

Third, FFI serves the international law enforcement community by exporting training in international money laundering and computer forensics to the International Law Enforcement Academy (ILEA) training sites worldwide.

Through the Criminal Investigators Training Program (CITP), the FFI introduces new criminal investigators to the information stored in a number of law enforcement data and intelligence resources, to include: NCIC/NLETS, the Financial Crimes Enforcement Network (FinCEN), El Paso Intelligence Center (EPIC), Narcotics and Dangerous Drugs Information System (NADDIS), and Interpol. FFI also trains law enforcement personnel in modern electronic information storage techniques which allow for the safe and efficient sharing of investigative materials.

Finally, FFI exposes students through its Internet Investigations Training Program (IITP) to the Cybercop Secure Portal which provides an encrypted secure collaborative network where over 3,700 law enforcement and private sector security personnel share sensitive but unclassified information. This portal is sponsored by the Extranet Secure Portal Group and is used by many other personnel within the Department of Homeland Security.

Question. As terrorists turn to the use of biological and chemical weapons to target America and our allies, what kinds of chemical and biological training has the training center developed to counter these activities?

Answer. In response to terrorist attacks, as well as the threat of biological and chemical weapons that target our country, the FLETC's Security Specialties Division has developed courses and training programs to train law enforcement personnel to be prepared for the worst case scenario. One of the more effective actions taken was the development of the Weapons of Mass Destruction Training Program (WMDTP).

The WMDTP is a 5 day train-the-trainer program. The program goal is to instruct the trainer on how to identify the characteristics and effects of chemical, biological and nuclear/radiological terrorist weapons. Furthermore, the students/trainers are trained as first responder officers to these terrorist attacks. As trainers, the students are given course materials and taught how to share this information and train other officers and administrators to better prepare this country should such an incident occur. This program is offered to any law enforcement officer in the United States.

The course content of the WMDTP includes: Overview of Terrorism, Chemical Agents and Physiological Effects, Biological Agents and Radiological Weapons, Nuclear Devices, Delivery and Dissemination Devices, Principles of Decontamination, Conventional Explosives as WMD, Detection and Identification of CBR Agents Planning for WMD incidents, Personal Protective Equipment and Managing a WMD attack.

Question. The Federal Law Enforcement Training Center has partnered with the Office of Personnel Management and the Office of Management and Budget to provide e-learning opportunities. Does the fiscal year 2004 budget request provide funding for additional distance learning programs for law enforcement training?

Answer. In September 2002, the Federal Law Enforcement Training Center (FLETC) sent the Office of Personnel Management (OPM) a Letter of Intent to partner in providing law enforcement e-Learning opportunities. This partnership included ``support for the creation and integration of robust custom law enforcement courseware based upon



government and industry standards''. In OPM's fiscal year 2004 e-Learning Exhibit 300, OPM requested \$585,000 in support of the FLETC. Of these monies, approximately \$185,000 was to support additional distance learning programs for law enforcement training. Fiscal year 2004 was the first budget submission that incorporated our partnership with OPM. The FLETC will continue to work through OPM's joint e-Learning initiative for future support of distance learning law enforcement content creation and hosting.

Question. The Federal Law Enforcement Training Center provides training to State, local, and international law enforcement officers. How is FLETC responding to the increased number of requests from State and local law enforcement, especially for hazardous materials and weapons of mass destruction training?

Answer. First response to terrorism or weapons of mass destruction incidents are normally handled by State and local officers. Federal agencies may be hours away from the scene and State and local law enforcement agencies need the training and equipment to respond to critical incidents. Some examples of Federal Law Enforcement Training Center (FLETC) training programs available to State and local officers are the First Responder Training Program (FRTTP), Weapons of Mass Destruction Training Program (WMDTP), Seaport Security Anti-terrorism Training Program (SSATP), and Critical Incident Response Training Program (CIRTP). Since September 11, 2001, the demand for these types of training programs has increased significantly.

In fiscal year 2003, the FLETC received an additional \$1 million in appropriations to expand its delivery of tuition-free training to Small Town and Rural (STAR) law enforcement agencies. When possible, the FLETC has increased student enrollment in the FRTTP from 24 to up to as many as 70 students.

Additionally, the FLETC is partnering with the Environmental Protection Agency (EPA) to coordinate delivery of hazardous materials training programs such as Advanced Environmental Crimes Training Program (AECTP). The FLETC is also developing a partnership with the Federal Emergency Management Agency (FEMA) to assist in the delivery of various training programs to include: incident command, emergency response to terrorism, public information and weapons of mass destruction programs.

Question. Does FLETC have adequate capacity to meet Federal agency law enforcement training demands as well as those training needs of State, local, and international law enforcement agencies? Is there a priority?

Answer. At this time, FLETC does not have the training capacity to meet all the Federal, State, local, and international law enforcement agencies training demands while utilizing a standard 8-hour day, and 5-day training week. However, given adequate scheduling flexibility and the use of non-traditional training sites, the FLETC does have the capacity to meet the short-term training demands of our Partner Organizations. The long-term solution to the training capacity issue is the development, refinement, funding, and completion of the FLETC Master Plan for facilities.

Classes are scheduled on a priority basis as indicated below, allocating facilities to:

- Basic Training Programs,
- Agency Specific Basic,
- Center Advanced,
- Agency Advanced and
- Others (i.e., State, Local, and International).

Question. The Committee remains concerned about the security of power plants and nuclear facilities. Is the Federal Law Enforcement Training Facility working with the Office for Domestic Preparedness to develop best practices for first responders in protecting identified critical infrastructure and assets?

Answer. The FLETC's Security Specialties Division offers a Critical Infrastructure Protection Training Program (CIPTP) which addresses protection for all critical infrastructure sectors and key assets as outlined in The National Strategy for the Physical Protection of Critical Infrastructures and Key Assets, February 2003. Power plants and nuclear facilities are included as assets in this document. It also addresses security measures for cyberspace, because cyberspace is what allows our critical infrastructure to work. The CIPTP is designed for those individuals who have the responsibilities to protect and manage critical infrastructures, key assets, resources or facilities. Though FLETC's priority is the Federal law enforcement community, when space is available, participants are accepted from all levels of law enforcement.

The CIPTP provides the participants with an overview of critical infrastructure protection, a threat brief, a Critical Infrastructure Protection (CIP) Model, instruction related to the components of the CIP Model, a case study related to contemporary issues, and a practical exercise. Heavy emphasis is placed on two points: One, the fact that protecting critical infrastructure and key assets requires a multi-disciplinary approach involving many people from numerous disciplines; and two, the need to build public-private partnerships, because 85 percent of the infrastructure is owned by the private sector.

Question. Section 109 of the Maritime Security Act tasked the Secretary of Transportation with the development of standards and curriculum for the training and certification of maritime security professionals. What is the Federal Law Enforcement Training Center's involvement in this process?

Answer. FLETC has established a partnering relationship with the U.S. Coast Guard and the Global Maritime and Transportation School, U.S. Merchant Marine Academy (USMMA), in anticipation of legislation being passed directing the development of a Seaport Security Training Program. Preliminary discussions are on-going with regard to training site selection and curricula identification, but no funding or direction has been given for this activity to date.

Question. The Federal Law Enforcement Training Center provides training to rural law enforcement personnel through its partnership with Minot State University and Southwest Texas State University. Does FLETC have plans to expand this program or develop other partnerships?

Answer. Since 1991, the FLETC has developed many long-term partnerships with Federal agencies, training partners, State and local agencies, and universities. The FLETC, through its National Center for State and Local Training, serves on the International Association of Chiefs of Police (IACP) and the National Sheriffs' Association (NSA) Education and Training Committees, as well as the National Guard Counterdrug Training Advisory Counsel.

In 1996 and 1999, the National Center partnered with Illinois State University, to conduct random sample training needs assessments of small town and rural law enforcement agencies. Over 2,200 law enforcement agencies--county, city, and Indian Country--were surveyed to determine their training needs. The results of the 1996 study provided the foundation for the development of the STAR training series. Since fiscal year 2000, the National Center has contracted with

Minot State University (MSU), to conduct a training needs assessment of all Federal, tribal, State, and local law enforcement agencies in the Northern Plains States Region (North Dakota, South Dakota, Montana, and Wyoming).

In fiscal year 2003, Congress allocated \$1,000,000 to the National Center to expand its contract with MSU for research and validation efforts in support of the STAR training series nationwide. Additionally, the National Center received \$500,000 to contract with the MSU to provide a comprehensive evaluation/assessment of the effectiveness of law enforcement vehicle pursuit training, previously conducted nationwide with law enforcement executives. The MSU is to provide recommendations for curriculum revision, training delivery methods, and program policy modifications in fiscal year 2004.

The National Center is currently partnering with Southwest Texas State University by providing assistance in the delivery of their Advanced Law Enforcement Rapid Response Training Program (ALERTT). This program is designed to provide law enforcement officers the skills necessary to respond to active shooters.

The National Center has been conducting a number of site visits to training facilities that submitted requests for consideration as hosts for National Center and/or FLETC training. Some of these locations are in Idaho, Louisiana, California, and Maryland. National Center staff evaluates each facility based upon accreditation standards, geographic location, demographic considerations, and the requirements to host a program.

Question. The Federal Law Enforcement Training Center is responsible for management oversight of the International Law Enforcement Academy in Gabarone, Botswana, and will be responsible for another facility to be located in San Jose, Costa Rica. How do these facilities further FLETC's training mission?

Answer. In the Department of Treasury's Strategic Plan for fiscal year 2000-fiscal year 2005, one of the objectives was to enhance basic, advanced, and in-service training programs to meet the changing needs and increasing demands of all law enforcement agencies.

Following the attacks of September 11th, and in a world where there is increasing globalization of crime, U.S. law enforcement at all levels need to interact with foreign law enforcement organizations.

For over 30 years, the Federal Law Enforcement Training Center (FLETC) has fulfilled its mandate to provide high quality, cost effective law enforcement training utilizing modern facilities, state of the art equipment and modern teaching methodologies and techniques.

As the nation's leading organization for interagency law enforcement training, FLETC has become the expert in the development and management of training facilities, training needs assessment, course and curriculum development, instructor training, certification, program accreditation, testing, and evaluation.

With facility management and academic responsibility for multiple locations in the United States, which trains a diversity of Federal, State, local and international students, FLETC offers a wealth of technical experience in the management of International Law Enforcement Agencies (ILEA). The ILEAs offer core programs focused on leadership, terrorism, white collar crime, drug enforcement, financial crimes, ethics, rule of law, police procedures, and the investigative process. All ILEA locations-Botswana, Budapest, Bangkok, and Roswell, NM-are under the Department of State's appropriation. The FBI, DEA and FLETC have leadership roles in administering these sites. Costa Rica's consideration as an ILEA site is still under review, so FLETC has not

taken on the day-to-day operational oversight.

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Questions Submitted by Senator Pete V. Domenici

Question. Congress created the Federal Law Enforcement Training Center (FLETC) to be the consolidated training center for almost all law enforcement agencies. As the law enforcement training arm of the Department of Homeland Security (DHS) it seems logical that FLETC should develop and conduct standardized training for all Homeland Security law enforcement and inspection personnel.

Such a training approach would ensure that all law enforcement personnel receive appropriate and consistent instruction. This is particularly important as you retrain and cross-train border agencies which have been merged under DHS (e.g. Customs, Immigration, and Agriculture Inspectors).

Congress specifically created the Federal Law Enforcement Training Facility in Artesia, New Mexico to handle the advanced and special training of almost all Federal law enforcement personnel.

In the past, Federal agencies have chosen not to use FLETC facilities for training and instead have contracted with non-federal institutions. Over the past few years, Congress has provided over \$30 million for the FLETC Artesia facility, alone.

When the need for Federal Air Marshal training arose after September 11, FLETC-Artesia answered the call to duty by developing and providing this training in a remarkably short period of time. By way of example, FLETC-Artesia brought in three 727 airplanes for use in training to go along with the 18 firing ranges and 3 shoot-houses.

FLETC-Artesia boasts 683 beds, state-of-the-art classrooms, and a brand new cafeteria to accommodate approximately 700 students a day.

FLETC-Artesia's close proximity to the Southwestern border, recently constructed facilities and optimal training conditions certainly suggest the center should be highly utilized by DHS. How do you intend to provide training for the newly hired DHS personnel as continued training for existing DHS personnel in light of the new security challenges facing our country?

Answer. As we enter a new era in law enforcement operations in the United States, FLETC is a good example of the new government approach intended by the legislation creating the DHS: a means to harmonize the work of many law enforcement agencies through common training, while at the same time maintaining quality and cost efficiency. In fiscal year 2003, 65 percent of FLETC's projected training workload will come from nine law enforcement agencies transferred to the new Homeland Security department. In fiscal year 2004, this workload will continue to be above 73 percent of our estimated total Federal training workload.

Under the leadership of Secretary Ridge and Under Secretary Hutchinson, FLETC intends to work closely with all segments of DHS. Placing FLETC within the DHS will help to support the ``unity of command'' and the coordination and efficiency themes sought in the public law that created DHS. FLETC has a long history of service to many of the DHS components--the U.S. Secret Service, the former Customs and Immigration and Naturalization Services including the U.S. Border Patrol (USBP), the Federal Protective Service and more recently, the Transportation Security Administration (TSA).

With the start-up of the Bureaus of Customs and Border Protection and Immigration and Customs Enforcement, FLETC is ready to help

facilitate, develop, and implement new training and cross training programs. We recognize that much of this effort and expertise will necessarily come from the agencies involved, but there likely will be significant adjustments made over time to all DHS-related training programs, basic and advanced. Already, an effort is underway to systematically review existing training for these new entities and to address whatever capabilities are needed to meld the duties of the participants. In the meantime, training will continue unabated to achieve all of the hiring expectations of our agencies.

Question. How do you intend to use FLETC facilities for training DHS employees?

Answer. The national ``war on terrorism'' precipitated by the events of September 11, 2001 placed new and increased demands on the nation's Federal law enforcement agencies. Officers and agents immediately began to work extended hours and many have been reassigned geographically and/or to expanded duties. Nearly all Federal law enforcement agencies made plans to increase their cadre of qualified officers and agents, and submitted urgent requests to the FLETC for basic law enforcement training far in excess of the FLETC's normal capacity. These requests were for increased numbers of graduates and for their speedy deployment to buttress the hard-pressed Federal law enforcement effort.

The events of September 11 also increased the need for certain advanced law enforcement training conducted at the FLETC, especially classes associated with such issues as counter-terrorism, weapons of mass destruction, money laundering, etc. Likewise, the need for instructor training classes increased, to strengthen the cadre of instructors qualified to handle the training surge--at the FLETC and within the agencies.

In addressing the unprecedented increase in training requirements, FLETC has conducted capability analyses to determine the set of actions most likely to result in optimum throughput of students at each of its training sites without compromising the quality of training. With the consultation and concurrence of its partner organizations (POs), FLETC leadership directed that training be conducted on a 6-day training schedule, thus generating a 20 percent increase in throughput capability. More importantly, the 6-day training schedule drives a corresponding compression of the length of each training program, effectively delivering each class of new law enforcement officers to their agencies weeks sooner than under the conventional training schedule. Should the 6-day training schedule be insufficient to meet the demand, an extended work day will be considered.

In addition to the 6-day training schedule, FLETC has expanded its staff with a supplemental cadre of re-employed annuitants (primarily retired Federal law enforcement officers) who are contributing their skills and experience as instructors to help sustain the surge in training operations. This is a 5-year authority provided by Congress in fiscal year 2002.

Further, the Federal Law Enforcement Training Center has been tasked by BTS with establishing a Training Academy Committee to identify and assess the training capabilities of all of the BTS training academies. This study will be the basis for determining the schedule and priority for training elements of DHS in a coordinated manner.

Question. How should DHS use FLETC Artesia's facilities and specialized training capabilities?

Answer. FLETC intends to utilize its Artesia facility to its

maximum potential. At the request of the Under Secretary, Border and Transportation Security (BTS) Directorate, Department of Homeland Security (DHS), the Federal Law Enforcement Training Center has been tasked with establishing a Training Academy Committee to identify and assess the training capabilities of all of the BTS training academies. The Committee will use a two phased methodology to identify the training assets and to develop a plan for operating the facilities employed by each of the Directorate's bureaus, and will also include the Coast Guard, Secret Service, and the Bureau of Citizenship and Immigration Services. The operational plan will provide the framework for coordinating academy training in all BTS bureaus. The Committee will develop and submit a report at the conclusion of each phase according to the timelines established by its charter. Once the Committee has identified all of the BTS training capabilities, FLETC can develop a more definitive utilization plan of facility usage at Artesia and all other sites.

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Questions Submitted by Senator Robert C. Byrd

#### TRAINING CURRICULA

Question. Have provisions been formulated regarding possible curriculum changes due to the merger of departments and the eventual cross training of agency personnel?

Answer. FLETC is currently working with the newly formed Department of Homeland Security (DHS) law enforcement organizations to modify, design, and develop appropriate training curricula to ensure their specific mission requirements are met, to include the cross-training of agency personnel.

#### FEDERAL AIR MARSHALS TRAINING LOCATION

Question. Does FLETC, in conjunction with TSA, plan to consolidate training of Federal Air Marshals at one location (Artesia) as opposed to the expense of training in Atlantic City?

Answer. The Transportation Security Administration (TSA) has recently requested the FLETC conduct 3 weeks of their 4-week agency specific basic training program, which is firearms and physical training intensive, at our Artesia facility. It is our understanding that TSA will continue to conduct the final week of their agency specific training, which involves primarily tactics, at their Atlantic City facility.

#### MASTER PLAN CONSTRUCTION

Question. When do you contemplate delivering to Congress the revised construction master plan? Does the plan include construction requirements at the FLETC-used facilities in Charleston, SC?

Answer. The completed FLETC Master Plan project is expected this summer. FLETC has not included construction requirements of the Charleston, SC training facility in its master plan, nor has it estimated the cost of transforming the Charleston campus into a full-fledged, permanent facility. No cost estimates have been developed or reviewed by the Department of Homeland Security to date. A study group has been formed to examine the planning and decision making process on

training program implementation for all of the new components in DHS. Once the study group formed by the Under Secretary for Border Transportation Security has completed its work and decisions made on the content, length and type of training needed by the agencies brought under the DHS legislation, a determination will be made on the future of the Charleston site.

#### LACK OF CONSTRUCTION FUNDING IN FISCAL YEAR 2004

Question. What will be the impact on training from the lack of any construction funding in fiscal year 2004?

Answer. Facility procurement, design and construction normally require 18 months to 2 years to complete. Any training facilities that cannot be appropriated and completed during this period will require the use of alternative approaches to training, including distance learning and use of available Federal, State and local training sites.

#### RURAL LAW ENFORCEMENT TRAINING

Question. How much is in the base budget for the on-going rural law enforcement training program at Minot State University?

Answer. The fiscal year 2004 base budget does not provide for any on-going rural law enforcement training programs at Minot State University. The fiscal year 2003 enacted appropriation included \$3.3 million to support these programs. This funding is not continued in the fiscal year 2004 President's request.

#### PLANNED USAGE OF THE CHELTENHAM FACILITY

Question. What agencies have already made plans, and coordinated with FLETC, to use the facilities in Cheltenham, MD?

Answer. The Cheltenham facility is currently utilized by seven of its 62 partner organizations. The primary users of the Cheltenham facility are the U.S. Capitol Police, U.S. Park Police, the Washington, D.C. Metropolitan Police Department, the Prince George's County Police, Sheriffs, Fire/EMS Departments, and Pentagon Police. The U.S. Capitol Police conducts their basic follow-on, agency specific and advanced in-service training at Cheltenham on a daily basis. These agencies utilize the existing 13 building Cheltenham tactical village for in-service agency specific tactical team training, as well as the classroom and conference center for in-service chem-bio, emergency medicine, and WMD training sessions on a weekly basis. Other groups, such as the Federal Law Enforcement Training Accreditation Group and FLETC Distance Learning program, have utilized classroom space in the Cheltenham conference center for day and week long seminars. Also, the Prince George's County Fire and EMS Training Academy utilize vacant FLETC buildings for recruit firefighter training on a regular basis.

To date, 62 separate Federal law enforcement agencies in the metropolitan Washington, D.C. area, including the D.C. Metropolitan Police Department, have expressed their intention to use the indoor firing ranges and driver training range for requalification training.

Cheltenham will be used by State and local law enforcement agencies. In fact, the Metropolitan Police Department of Washington, D.C., Maryland State Police, Prince George's County Police and Sheriffs Department are currently utilizing Cheltenham facilities on a weekly and monthly basis. However, with the exception of the D.C. Metropolitan Police Department, which was specifically identified in the legislation

that created Cheltenham, Federal agencies will be given scheduling priority.

#### CONCLUSION OF HEARINGS

Senator Cochran. Until our next hearing, this subcommittee will stand in recess.

[Whereupon, at 12:20 p.m., Tuesday, May 13, the hearings were concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]  
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